AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

110TH CONGRESS
1ST SESSION

H. R. 1

IN THE SENATE OF THE UNITED STATES

JANUARY 9, 2007
Received; read twice and referred to the Committee on Homeland Security and Governmental Affairs

AN ACT

To provide for the implementation of the recommendations of the National Commission on Terrorist Attacks Upon the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the ''Implementing the 9/
3 11 Commission Recommendations Act of 2007''.

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—RISK-BASED ALLOCATION OF HOMELAND SECURITY GRANTS

Sec. 101. First responders homeland security funding.

TITLE II—ENSURING COMMUNICATIONS INTEROPERABILITY FOR FIRST RESPONDERS

Sec. 201. Improve Communications for Emergency Response Grant Program.

TITLE III—STRENGTHENING USE OF A UNIFIED INCIDENT COMMAND DURING EMERGENCIES

Sec. 301. National exercise program design.
Sec. 302. National exercise program model exercises.
Sec. 303. Responsibilities of Regional Administrators of the Federal Emergency Management Agency.

TITLE IV—STRENGTHENING AVIATION SECURITY

Sec. 401. Installation of in-line baggage screening equipment.
Sec. 402. Aviation security capital fund.
Sec. 403. Airport checkpoint screening explosive detection.
Sec. 404. Strengthening explosive detection at airport screening checkpoints.
Sec. 405. Extension of authorization of aviation security funding.
Sec. 406. Inspection of cargo carried aboard passenger aircraft.
Sec. 407. Appeal and redress process for passengers wrongly delayed or prohibited from boarding a flight.
Sec. 408. Transportation Security Administration personnel management.
Sec. 409. Strategic plan to test and implement advanced passenger prescreening system.

TITLE V—STRENGTHENING THE SECURITY OF CARGO CONTAINERS

Sec. 501. Requirements relating to entry of containers into the United States.

TITLE VI—STRENGTHENING EFFORTS TO PREVENT TERRORIST TRAVEL

Subtitle A—Human Smuggling and Trafficking Center Improvements

Sec. 601. Strengthening the capabilities of the Human Smuggling and Trafficking Center.

Subtitle B—International Collaboration to Prevent Terrorist Travel

Sec. 611. Report on international collaboration to increase border security, enhance global document security, and exchange terrorist information.

Subtitle C—Biometric Border Entry and Exit System

Sec. 621. Submittal of plan on biometric entry and exit verification system implementation.

TITLE VII—IMPROVING INTELLIGENCE AND INFORMATION SHARING WITH LOCAL LAW ENFORCEMENT AND FIRST RESPONDERS

Subtitle A—Fusion and Law Enforcement Education and Teaming (FLEET) Grant Program

Sec. 701. Findings.
Sec. 702. FLEET Grant program.

Subtitle B—Border Intelligence Fusion Center Program

Sec. 711. Findings.
Sec. 712. Establishment of Border Intelligence Fusion Center Program.

Subtitle C—Homeland Security Information Sharing Enhancement

Sec. 721. Short title.
Sec. 722. Homeland Security Advisory System.
Sec. 723. Homeland security information sharing.

Subtitle D—Homeland Security Information Sharing Partnerships

Sec. 731. Short title.
Sec. 732. State, Local, and Regional Information Fusion Center Initiative.
Sec. 733. Homeland Security Information Sharing Fellows Program.

Subtitle E—Homeland Security Intelligence Offices Reorganization

Sec. 741. Departmental reorganization.
Sec. 742. Intelligence components of Department of Homeland Security.
Sec. 743. Office of Infrastructure Protection.

TITLE VIII—PROTECTING PRIVACY AND CIVIL LIBERTIES WHILE EFFECTIVELY FIGHTING TERRORISM

Subtitle A—Privacy and Civil Liberties Oversight Boards

Sec. 801. Short title.
Sec. 802. Findings.
Sec. 803. Making the Privacy and Civil Liberties Oversight Board independent.
Sec. 804. Requiring all members of the Privacy and Civil Liberties Oversight Board be confirmed by the Senate.
Sec. 805. Subpoena power for the Privacy and Civil Liberties Oversight Board.
Sec. 806. Reporting requirements.

Subtitle B—Enhancement of Privacy Officer Authorities

Sec. 811. Short title.

Sec. 812. Authorities of the privacy officer of the Department of Homeland Security.

TITLE IX—IMPROVING CRITICAL INFRASTRUCTURE SECURITY

Sec. 901. Vulnerability assessment and report on critical infrastructure information.
Sec. 902. National Asset Database and the National At-Risk Database.

TITLE X—TRANSPORTATION SECURITY PLANNING AND INFORMATION SHARING

Sec. 1001. Strategic transportation security information sharing.
Sec. 1002. Transportation security strategic planning.

TITLE XI—PRIVATE SECTOR PREPAREDNESS

Sec. 1101. Participation of private sector organizations in emergency preparedness and response activities.

TITLE XII—PREVENTING WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM

Sec. 1201. Findings.
Sec. 1202. Definitions.

Subtitle A—Repeal and Modification of Limitations on Assistance for Prevention of WMD Proliferation and Terrorism

Sec. 1211. Repeal and modification of limitations on assistance for prevention of weapons of mass destruction proliferation and terrorism.

Subtitle B—Proliferation Security Initiative

Sec. 1221. Proliferation Security Initiative improvements and authorities.
Sec. 1222. Authority to provide assistance to cooperative countries.

Subtitle C—Assistance to Accelerate Programs to Prevent Weapons of Mass Destruction Proliferation and Terrorism

Sec. 1231. Findings; statement of policy.
Sec. 1232. Authorization of appropriations for the Department of Defense Cooperative Threat Reduction Program.
Sec. 1233. Authorization of appropriations for the Department of Energy programs to prevent weapons of mass destruction proliferation and terrorism.

Subtitle D—Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism

Sec. 1241. Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism.
Sec. 1242. Request for corresponding Russian coordinator.

Subtitle E—Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism

Sec. 1251. Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism.

Sec. 1252. Purposes.
Sec. 1253. Composition.
Sec. 1254. Responsibilities.
Sec. 1255. Powers.
Sec. 1256. Nonapplicability of Federal Advisory Committee Act.
Sec. 1257. Report.
Sec. 1258. Termination.

TITLE XIII—NUCLEAR BLACK MARKET COUNTER-TERRORISM ACT

Sec. 1301. Short title.
Sec. 1302. Definitions.

Subtitle A—Sanctions for Transfers of Nuclear Enrichment, Reprocessing, and Weapons Technology, Equipment, and Materials Involving Foreign Persons and Terrorists

Sec. 1311. Authority to impose sanctions on foreign persons.
Sec. 1312. Presidential notification on activities of foreign persons.

Subtitle B—Further Actions Against Corporations Associated With Sanctioned Foreign Persons

Sec. 1321. Findings.
Sec. 1322. Campaign by United States Government officials.
Sec. 1323. Coordination.
Sec. 1324. Report.

Subtitle C—Rollback of Nuclear Proliferation Networks

Sec. 1331. Nonproliferation as a condition of United States assistance.
Sec. 1332. Report on identification of nuclear proliferation network host countries.
Sec. 1333. Suspension of arms sales licenses and deliveries to nuclear proliferation host countries.

TITLE XIV—9/11 COMMISSION INTERNATIONAL IMPLEMENTATION

Sec. 1401. Short title; table of contents.

Subtitle A—Quality Educational Opportunities in Arab and Predominantly Muslim Countries.

Sec. 1411. Findings; Policy.
Sec. 1412. International Arab and Muslim Youth Opportunity Fund.
Sec. 1413. Annual report to Congress.
Sec. 1414. Extension of program to provide grants to American-sponsored schools in Arab and predominantly Muslim Countries to provide scholarships.

Subtitle B—Democracy and Development in Arab and Predominantly Muslim Countries

Sec. 1421. Promoting democracy and development in the Middle East, Central Asia, South Asia, and Southeast Asia.
Sec. 1422. Middle East Foundation.

Subtitle C—Restoring United States Moral Leadership

Sec. 1431. Advancing United States interests through public diplomacy.
Sec. 1432. Expansion of United States scholarship, exchange, and library programs in Arab and predominantly Muslim countries.
Sec. 1433. United States policy toward detainees.

Subtitle D—Strategy for the United States Relationship With Afghanistan, Pakistan, and Saudi Arabia

Sec. 1441. Afghanistan.
Sec. 1442. Pakistan.
Sec. 1443. Saudi Arabia.

TITLE I—RISK-BASED ALLOCATION OF HOMELAND SECURITY GRANTS

SEC. 101. FIRST RESPONDERS HOMELAND SECURITY FUNDING.

(a) IN GENERAL.—The Homeland Security Act of 2002 (Public Law 107–296; 6 U.S.C. 361 et seq.) is amended—

(1) in section 1(b) in the table of contents by striking the items relating to the second title XVIII, as added by section 501(b)(3) of Public Law 109–347, and inserting the following:

"TITLE XIX—DOMESTIC NUCLEAR DETECTION OFFICE

"Sec. 1901. Domestic Nuclear Detection Office.
"Sec. 1902. Mission of Office.
"Sec. 1904. Testing authority.
"Sec. 1905. Relationship to other Department entities and Federal agencies.
"Sec. 1906. Contracting and grant making authorities.";

(2) by redesignating the second title XVIII, as added by section 501(a) of Public Law 109–347, as title XIX;

(3) in title XIX (as so redesignated)—

(A) by redesignating sections 1801 through 1806 as sections 1901 through 1906, respectively;

(B) in section 1904(a) (6 U.S.C. 594(a)), as so redesignated, by striking ''section 1802'' and inserting ''section 1902''; and

(C) in section 1906 (6 U.S.C. 596), as so redesignated, by striking ''section 1802(a)'' each place it appears and inserting ''section 1902(a)'';

(4) in section 1(b) in the table of contents by adding at the end the following:

''TITLE XX—FUNDING FOR FIRST RESPONDERS

''Sec. 2001. Definitions.
''Sec. 2002. Faster and Smarter Funding for First Responders.
''Sec. 2003. Covered grant eligibility and criteria.
''Sec. 2004. Risk-based evaluation and prioritization.
''Sec. 2005. Use of funds and accountability requirements.'';

and

(5) by adding at the end the following:

''TITLE XX—FUNDING FOR FIRST RESPONDERS

''SEC. 2001. DEFINITIONS.

''In this title:

''(1) COVERED GRANT.—The term 'covered grant' means any grant to which this title applies under section 2002.

"(2) DIRECTLY ELIGIBLE TRIBE.—The term 'directly eligible tribe' means any Indian tribe or consortium of Indian tribes that—

"(A) meets the criteria for inclusion in the qualified applicant pool for Self-Governance that are set forth in section 402(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458bb(c));

"(B) employs at least 10 full-time personnel in a law enforcement or emergency response agency with the capacity to respond to calls for law enforcement or emergency services; and

"(C)(i) is located on, or within 5 miles of, an international border or waterway;

"(ii) is located within 5 miles of a facility designated as high-risk critical infrastructure by the Secretary;

"(iii) is located within or contiguous to one of the 50 largest metropolitan statistical areas in the United States; or

"(iv) has more than 1,000 square miles of Indian country, as that term is defined in section 1151 of title 18, United States Code.

"(3) ELEVATIONS IN THE THREAT ALERT LEVEL.—The term 'elevations in the threat alert level' means any designation (including those that are less than national in scope) that raises the homeland security threat level to either the highest or second highest threat level under the Homeland Security Advisory System referred to in section 201(d)(7).

"(4) FIRST RESPONDER.—The term 'first responder' shall have the same meaning as the term 'emergency response provider'.

"(5) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(6) REGION.—The term 'region' means—

"(A) any geographic area consisting of all or parts of 2 or more contiguous States that have a combined population of at least 1,650,000 or have an area of not less than

20,000 square miles, and that, for purposes of an application for a covered grant, is represented by 1 or more governments or governmental agencies within such geographic area, and that is established by law or by agreement of 2 or more such governments or governmental agencies in a mutual aid agreement; or

"(B) any other combination of contiguous local government units (including such a combination established by law or agreement of two or more governments or governmental agencies in a mutual aid agreement) that is formally certified by the Secretary as a region for purposes of this Act with the consent of—

"(i) the State or States in which they are located, including a multi-State entity established by a compact between two or more States; and

"(ii) the incorporated municipalities, counties, and parishes that they encompass.

"(7) TERRORISM PREPAREDNESS.—The term 'terrorism preparedness' means any activity designed to improve the ability to prevent, prepare for, re-

spond to, mitigate against, or recover from threatened or actual terrorist attacks.

"(8) CAPABILITIES.—The term 'capabilities' shall have the same meaning that term has under title VIII.

"SEC. 2002. FASTER AND SMARTER FUNDING FOR FIRST RESPONDERS.

"(a) COVERED GRANTS.—This title applies to grants provided by the Department to States, urban areas, regions, or directly eligible tribes for the primary purpose of improving the ability of first responders to prevent, prepare for, respond to, mitigate against, or recover from threatened or actual terrorist attacks, especially those involving weapons of mass destruction, administered under the following:

"(1) STATE HOMELAND SECURITY GRANT PROGRAM.—The State Homeland Security Grant Program of the Department, or any successor to such grant program.

"(2) URBAN AREA SECURITY INITIATIVE.—The Urban Area Security Initiative of the Department, or any successor to such grant program.

"(3) LAW ENFORCEMENT TERRORISM PREVENTION PROGRAM.—The Law Enforcement Terrorism

Prevention Program of the Department, or any successor to such grant program.

"(b) EXCLUDED PROGRAMS.—This title does not apply to or otherwise affect the following Federal grant programs or any grant under such a program:

"(1) NONDEPARTMENT PROGRAMS.—Any Federal grant program that is not administered by the Department.

"(2) FIRE GRANT PROGRAMS.—The fire grant programs authorized by sections 33 and 34 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229, 2229a).

"(3) EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE ACCOUNT GRANTS.—The Emergency Management Performance Grant program and the Urban Search and Rescue Grants program authorized by title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195 et seq.); the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (113 Stat. 1047 et seq.); and the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.).

"SEC. 2003. COVERED GRANT ELIGIBILITY AND CRITERIA.

"(a) GRANT ELIGIBILITY.—

"(1) STATE, REGION, OR DIRECTLY ELIGIBLE TRIBE.—Any State, region, or directly eligible tribe shall be eligible to apply for a covered grant under the programs referred to in paragraphs (1) and (3) of section 1802(a).

"(2) HIGH-THREAT URBAN AREAS.—Any urban area that is determined by the Secretary to be a high-threat urban areas shall be eligible to apply for a covered grant referred to in paragraph (2) of section 1802(a).

"(b) GRANT CRITERIA.—The Secretary shall award covered grants to assist States and local governments in achieving, maintaining, and enhancing the capabilities for terrorism preparedness established by the Secretary.

"(c) SUBMISSION OF STATE PREPAREDNESS REPORT.—

"(1) SUBMISSION REQUIRED.—The Secretary shall require that any State applying to the Secretary for a covered grant must submit State Preparedness Report specified in section 652(c) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295).

"(2) CONSULTATION.—The State report submitted under paragraph (1) shall be developed in

consultation with and subject to appropriate comment by local governments and first responders within the State.

"(d) CONSISTENCY WITH STATE PLANS.—

"(1) IN GENERAL.—The Secretary shall ensure that each covered grant is used to supplement and support, in a consistent and coordinated manner, the applicable State homeland security report or plan.

"(2) APPROVAL OF PLAN BY SECRETARY.—The Secretary may not award any covered grant to a State unless the Secretary has approved the applicable State homeland security plan.

"(3) REVISIONS.—A State may revise the applicable State homeland security plan approved by the Secretary under this subsection, subject to approval of the revision by the Secretary.

"(e) APPLICATION FOR GRANT.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any State, urban area, region, or directly eligible tribe may apply for a covered grant by submitting to the Secretary an application at such time, in such manner, and containing such information as is required under this subsection, or as the Secretary may reasonably require.

"(2) DEADLINES FOR APPLICATIONS AND AWARDS.—All applications for covered grants must be submitted at such time as the Secretary may reasonably require for the fiscal year for which they are submitted. The Secretary shall award covered grants pursuant to all approved applications for such fiscal year as soon as practicable, but not later than March 1 of such year.

"(3) AVAILABILITY OF FUNDS.—All funds awarded by the Secretary under covered grants in a fiscal year shall be available for obligation through the end of the subsequent fiscal year.

"(4) MINIMUM CONTENTS OF APPLICATION.—The Secretary shall require that each applicant include in its application, at a minimum—

"(A) the purpose for which the applicant seeks covered grant funds and the reasons why the applicant needs the covered grant to meet the capabilities for terrorism preparedness within the State, urban area, region, or directly eligible tribe to which the application pertains;

"(B) a description of how, by reference to the applicable State homeland security plan or plans under subsection (c), the allocation of grant funding proposed in the application, in-

cluding, where applicable, the amount not passed through under section 2005(g)(1), would assist in fulfilling the capabilities for terrorism preparedness specified in such plan or plans;

"(C) a statement of whether a mutual aid agreement applies to the use of all or any portion of the covered grant funds;

"(D) if the applicant is a State, a description of how the State plans to allocate the covered grant funds to local governments and Indian tribes;

"(E) if the applicant is a region—

"(i) a precise geographical description of the region and a specification of all participating and nonparticipating local governments within the geographical area comprising that region;

"(ii) a specification of what governmental entity within the region will administer the expenditure of funds under the covered grant; and

"(iii) a designation of a specific individual to serve as regional liaison;

"(F) a capital budget showing how the applicant intends to allocate and expend the covered grant funds;

"(G) if the applicant is a directly eligible tribe, a designation of a specific individual to serve as the tribal liaison; and

"(H) a statement of how the applicant intends to meet the matching requirement, if any, that applies under section 2005(g)(2).

"(5) REGIONAL APPLICATIONS.—

"(A) RELATIONSHIP TO STATE APPLICATIONS.—A regional application—

"(i) shall be coordinated with an application submitted by the State or States of which such region is a part;

"(ii) shall supplement and avoid duplication with such State application; and

"(iii) shall address the unique regional aspects of such region's terrorism preparedness needs beyond those provided for in the application of such State or States.

"(B) STATE REVIEW AND SUBMISSION.—To ensure the consistency required under subsection (d) and the coordination required under subparagraph (A) of this paragraph, an appli-

cant that is a region must submit its application to each State of which any part is included in the region for review and concurrence prior to the submission of such application to the Secretary. The regional application shall be transmitted to the Secretary through each such State within 30 days of its receipt, unless the Governor of such a State notifies the Secretary, in writing, that such regional application is inconsistent with the State's homeland security plan and provides an explanation of the reasons therefor.

"(C) DISTRIBUTION OF REGIONAL AWARDS.—If the Secretary approves a regional application, then the Secretary shall distribute a regional award to the State or States submitting the applicable regional application under subparagraph (B), and each such State shall, not later than the end of the 45-day period beginning on the date after receiving a regional award, pass through to the region all covered grant funds or resources purchased with such funds, except those funds necessary for the State to carry out its responsibilities with respect to such regional application: Provided,

1 That in no such case shall the State or States
2 pass through to the region less than 80 percent
3 of the regional award.

4 "(D) CERTIFICATIONS REGARDING DIS-
5 TRIBUTION OF GRANT FUNDS TO REGIONS.—
6 Any State that receives a regional award under
7 subparagraph (C) shall certify to the Secretary,
8 by not later than 30 days after the expiration
9 of the period described in subparagraph (C)
10 with respect to the grant, that the State has
11 made available to the region the required funds
12 and resources in accordance with subparagraph
13 (C).

14 "(E) DIRECT PAYMENTS TO REGIONS.—If
15 any State fails to pass through a regional
16 award to a region as required by subparagraph
17 (C) within 45 days after receiving such award
18 and does not request or receive an extension of
19 such period under section 2006(h)(2), the re-
20 gion may petition the Secretary to receive di-
21 rectly the portion of the regional award that is
22 required to be passed through to such region
23 under subparagraph (C).

"(F) REGIONAL LIAISONS.—A regional liaison designated under paragraph (4)(E)(iii) shall—

"(i) coordinate with Federal, State, local, regional, and private officials within the region concerning terrorism preparedness;

"(ii) develop a process for receiving input from Federal, State, local, regional, and private sector officials within the region to assist in the development of the regional application and to improve the region's access to covered grants; and

"(iii) administer, in consultation with State, local, regional, and private officials within the region, covered grants awarded to the region.

"(6) TRIBAL APPLICATIONS.—

"(A) SUBMISSION TO THE STATE OR STATES.—To ensure the consistency required under subsection (d), an applicant that is a directly eligible tribe must submit its application to each State within the boundaries of which any part of such tribe is located for direct sub-

mission to the Department along with the application of such State or States.

"(B) OPPORTUNITY FOR STATE COMMENT.—Before awarding any covered grant to a directly eligible tribe, the Secretary shall provide an opportunity to each State within the boundaries of which any part of such tribe is located to comment to the Secretary on the consistency of the tribe's application with the State's homeland security plan. Any such comments shall be submitted to the Secretary concurrently with the submission of the State and tribal applications.

"(C) FINAL AUTHORITY.—The Secretary shall have final authority to determine the consistency of any application of a directly eligible tribe with the applicable State homeland security plan or plans, and to approve any application of such tribe. The Secretary shall notify each State within the boundaries of which any part of such tribe is located of the approval of an application by such tribe.

"(D) TRIBAL LIAISON.—A tribal liaison designated under paragraph (4)(G) shall—

"(i) coordinate with Federal, State, local, regional, and private officials concerning terrorism preparedness;

"(ii) develop a process for receiving input from Federal, State, local, regional, and private sector officials to assist in the development of the application of such tribe and to improve the tribe's access to covered grants; and

"(iii) administer, in consultation with State, local, regional, and private officials, covered grants awarded to such tribe.

"(E) LIMITATION ON THE NUMBER OF DIRECT GRANTS.—The Secretary may make covered grants directly to not more than 20 directly eligible tribes per fiscal year.

"(F) TRIBES NOT RECEIVING DIRECT GRANTS.—An Indian tribe that does not receive a grant directly under this section is eligible to receive funds under a covered grant from the State or States within the boundaries of which any part of such tribe is located, consistent with the homeland security plan of the State as described in subsection (c). If a State fails to comply with section 2006(g)(1), the tribe may

request payment under section 2006(h)(3) in the same manner as a local government.

"(7) EQUIPMENT STANDARDS.—If an applicant for a covered grant proposes to upgrade or purchase, with assistance provided under the grant, new equipment or systems that do not meet or exceed any applicable national voluntary consensus standards established by the Secretary, the applicant shall include in the application an explanation of why such equipment or systems will serve the needs of the applicant better than equipment or systems that meet or exceed such standards.

"SEC. 2004. RISK-BASED EVALUATION AND PRIORITIZATION.

"(a) PRIORITIZATION OF GRANT APPLICATIONS.—

"(1) FACTORS TO BE CONSIDERED.—The Secretary shall evaluate and annually prioritize all pending applications for covered grants based upon the degree to which they would, by achieving, maintaining, or enhancing the capabilities of the applicants on a nationwide basis, lessen the threat to, vulnerability of, and consequences for persons (including transient commuting and tourist populations) and critical infrastructure. Such evaluation and prioritization shall be based upon the most cur-

rent risk assessment available by the Office of Intelligence Analysis and the Office of Infrastructure Protection of the threats of terrorism against the United States. In establishing criteria for evaluating and prioritizing applications for covered grants, the Secretary shall coordinate with the National Advisory Council established under section 508, the Director of the Federal Emergency Management Agency, the United States Fire Administrator, the Chief Intelligence Officer of the Department, the Assistant Secretary for Infrastructure Protection, and other Department officials as determined by the Secretary.

"(2) CRITICAL INFRASTRUCTURE SECTORS.—The Secretary specifically shall consider threats of terrorism against the following critical infrastructure sectors in all areas of the United States, urban and rural:

"(A) Agriculture and food.

"(B) Banking and finance.

"(C) Chemical industries.

"(D) The defense industrial base.

"(E) Emergency services.

"(F) Energy.

"(G) Government facilities.

"(H) Postal and shipping.

"(I) Public health and health care.

"(J) Information technology.

"(K) Telecommunications.

"(L) Transportation systems.

"(M) Water.

"(N) Dams.

"(O) Commercial facilities.

"(P) National monuments and icons.

The order in which the critical infrastructure sectors are listed in this paragraph shall not be construed as an order of priority for consideration of the importance of such sectors.

"(3) TYPES OF THREAT.—The Secretary specifically shall consider the following types of threat to the critical infrastructure sectors described in paragraph (2), and to populations in all areas of the United States, urban and rural:

"(A) Biological threats.

"(B) Nuclear threats.

"(C) Radiological threats.

"(D) Incendiary threats.

"(E) Chemical threats.

"(F) Explosives.

"(G) Suicide bombers.

"(H) Cyber threats.

"(I) Any other threats based on proximity to specific past acts of terrorism or the known activity of any terrorist group.

The order in which the types of threat are listed in this paragraph shall not be construed as an order of priority for consideration of the importance of such threats.

"(4) CONSIDERATION OF ADDITIONAL FACTORS.—The Secretary shall take into account any other specific threat to a population (including a transient commuting or tourist population) or critical infrastructure sector that the Board has determined to exist. In evaluating the threat to a population or critical infrastructure sector, the Secretary shall give greater weight to threats of terrorism based upon their specificity and credibility, including any pattern of repetition.

"(5) MINIMUM AMOUNTS.—After evaluating and prioritizing grant applications under paragraph (1), the Department shall ensure that, for each fiscal year—

"(A) each of the States, other than the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands, that has an approved State homeland security plan receives no

less than 0.25 percent of the funds available for covered grants for that fiscal year for purposes of implementing its homeland security plan;

"(B) each of the States, other than the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands, that has an approved State homeland security plan and that meets one or both of the additional high-risk qualifying criteria under paragraph (6) receives no less than 0.45 percent of the funds available for covered grants for that fiscal year for purposes of implementing its homeland security plan;

"(C) the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands each receives no less than 0.08 percent of the funds available for covered grants for that fiscal year for purposes of implementing its approved State plan; and

"(D) directly eligible tribes collectively receive no less than 0.08 percent of the funds available for covered grants for such fiscal year for purposes of addressing the needs identified in the applications of such tribes, consistent with the homeland security plan of each State

within the boundaries of which any part of any such tribe is located, except that this clause shall not apply with respect to funds available for a fiscal year if the Secretary receives less than 5 applications for such fiscal year from such tribes or does not approve at least one such application.

"(6) ADDITIONAL HIGH-RISK QUALIFYING CRITERIA.—For purposes of paragraph (5)(B), additional high-risk qualifying criteria consist of—

"(A) having a significant international land border; or

"(B) adjoining a body of water within North America through which an international boundary line extends.

"(b) EFFECT OF REGIONAL AWARDS ON STATE MINIMUM.—Any regional award, or portion thereof, provided to a State under section 2003(e)(5)(C) shall not be considered in calculating the minimum State award under subsection (a)(5) of this section.

"(c) RELATIONSHIP TO OTHER PROGRAMS.—This section shall be carried out in consultation with the Secretary of Health and Human Services. Nothing in this section affects the scope of authority of the Secretary of

1 Health and Human Services, including such authority
2 under the Public Health Service Act.

3 **"SEC. 2005. USE OF FUNDS AND ACCOUNTABILITY RE-**
4 **QUIREMENTS.**

5 "(a) IN GENERAL.—A covered grant may be used
6 for—

7 "(1) purchasing or upgrading equipment, in-
8 cluding computer hardware and software, to enhance
9 terrorism preparedness;

10 "(2) exercises to strengthen terrorism prepared-
11 ness;

12 "(3) training for prevention (including detec-
13 tion) of, preparedness for, response to, or recovery
14 from attacks involving weapons of mass destruction,
15 including training in the use of equipment and com-
16 puter software;

17 "(4) developing or updating State homeland se-
18 curity plans, risk assessments, mutual aid agree-
19 ments, and emergency management plans to enhance
20 terrorism preparedness;

21 "(5) establishing or enhancing mechanisms for
22 sharing terrorism threat information;

23 "(6) systems architecture and engineering, pro-
24 gram planning and management, strategy formula-
25 tion and strategic planning, life-cycle systems de-

sign, product and technology evaluation, and prototype development for terrorism preparedness purposes;

"(7) additional personnel costs resulting from—

"(A) elevations in the threat alert level of the Homeland Security Advisory System by the Secretary, or a similar elevation in threat alert level issued by a State, region, or local government with the approval of the Secretary;

"(B) travel to and participation in exercises and training in the use of equipment and on prevention activities;

"(C) the temporary replacement of personnel during any period of travel to and participation in exercises and training in the use of equipment and on prevention activities; and

"(D) the hiring of staff to serve as intelligence analysts to strengthen information and intelligence sharing capabilities;

"(8) the costs of equipment (including software) required to receive, transmit, handle, and store classified information;

"(9) protecting critical infrastructure against potential attack by the addition of barriers, fences, gates, and other such devices that are constructed

consistent with the requirements of section 6(j)(9) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(j)(9), except that the cost of such measures may not exceed the greater of—

"(A) $1,000,000 per project; or

"(B) such greater amount as may be approved by the Secretary, which may not exceed 10 percent of the total amount of the covered grant;

"(10) the costs of commercially available interoperable communications equipment (that, where applicable, is based on national, voluntary consensus standards) that the Secretary, in consultation with the Assistant Secretary for Emergency Communications, deems best suited to facilitate interoperability, coordination, and integration between and among emergency communications systems, and that complies with prevailing grant guidance of the Department for interoperable communications;

"(11) educational curricula development for first responders to ensure that they are prepared for terrorist attacks;

"(12) training and exercises to assist public elementary and secondary schools in developing and

implementing programs to instruct students regarding age-appropriate skills to prevent, prepare for, respond to, mitigate against, or recover from an act of terrorism;

"(13) paying of administrative expenses directly related to administration of the grant, except that such expenses may not exceed 3 percent of the amount of the grant;

"(14) Public safety answering points;

"(15) paying for the conduct of any activity permitted under the Law Enforcement Terrorism Prevention Program, or any such successor to such program; and

"(16) other appropriate activities as determined by the Secretary.

"(b) PROHIBITED USES.—Funds provided as a covered grant may not be used—

"(1) to supplant State or local funds;

"(2) to construct buildings or other physical facilities;

"(3) to acquire land; or

"(4) for any State or local government cost-sharing contribution.

1 "(c) INTELLIGENCE ANALYSTS.—An individual hired
2 to serve as an intelligence analyst under subsection
3 (a)(7)(D) must meet at least one of the following criteria:
4 "(1) The individual has successfully completed
5 training that meets the standards of the Inter-
6 national Association of Law Enforcement Intel-
7 ligence Analysts to ensure baseline proficiency in in-
8 telligence analysis and production.
9 "(2) The individual has previously served in a
10 Federal intelligence agency as an intelligence analyst
11 for at least two years.
12 "(d) MULTIPLE-PURPOSE FUNDS.—Nothing in this
13 section shall be construed to preclude State and local gov-
14 ernments from using covered grant funds in a manner
15 that also enhances first responder preparedness for emer-
16 gencies and disasters unrelated to acts of terrorism, if
17 such use assists such governments in achieving capabilities
18 for terrorism preparedness established by the Secretary.
19 "(e) REIMBURSEMENT OF COSTS.—
20 "(1) PAID-ON-CALL OR VOLUNTEER REIM-
21 BURSEMENT.—In addition to the activities described
22 in subsection (a), a covered grant may be used to
23 provide a reasonable stipend to paid-on-call or volun-
24 teer first responders who are not otherwise com-
25 pensated for travel to or participation in training

1 covered by this section. Any such reimbursement
2 shall not be considered compensation for purposes of
3 rendering such a first responder an employee under
4 the Fair Labor Standards Act of 1938 (29 U.S.C.
5 201 et seq.).

6 "(2) PERFORMANCE OF FEDERAL DUTY.—An
7 applicant for a covered grant may petition the Sec-
8 retary for the reimbursement of the cost of any ac-
9 tivity relating to prevention (including detection) of,
10 preparedness for, response to, or recovery from acts
11 of terrorism that is a Federal duty and usually per-
12 formed by a Federal agency, and that is being per-
13 formed by a State or local government (or both)
14 under agreement with a Federal agency.

15 "(f) ASSISTANCE REQUIREMENT.—The Secretary
16 may not require that equipment paid for, wholly or in part,
17 with funds provided as a covered grant be made available
18 for responding to emergencies in surrounding States, re-
19 gions, and localities, unless the Secretary undertakes to
20 pay the costs directly attributable to transporting and op-
21 erating such equipment during such response.

22 "(g) FLEXIBILITY IN UNSPENT HOMELAND SECU-
23 RITY GRANT FUNDS.—Upon request by the recipient of
24 a covered grant, the Secretary may authorize the grantee
25 to transfer all or part of funds provided as the covered

grant from uses specified in the grant agreement to other uses authorized under this section, if the Secretary determines that such transfer is in the interests of homeland security.

"(h) STATE, REGIONAL, AND TRIBAL RESPONSIBILITIES.—

"(1) PASS-THROUGH.—The Secretary shall require a recipient of a covered grant that is a State to obligate or otherwise make available to local governments, first responders, and other local groups, to the extent required under the State homeland security plan or plans specified in the application for the grant, not less than 80 percent of the grant funds, resources purchased with the grant funds having a value equal to at least 80 percent of the amount of the grant, or a combination thereof, by not later than the end of the 45-day period beginning on the date the grant recipient receives the grant funds.

"(2) COST SHARING.—

"(A) IN GENERAL.—The Federal share of the costs of an activity carried out with a covered grant to a State, region, or directly eligible tribe awarded after the 2-year period beginning

on the date of the enactment of this section shall not exceed 75 percent.

"(B) INTERIM RULE.—The Federal share of the costs of an activity carried out with a covered grant awarded before the end of the 2-year period beginning on the date of the enactment of this section shall be 100 percent.

"(C) IN-KIND MATCHING.—Each recipient of a covered grant may meet the matching requirement under subparagraph (A) by making in-kind contributions of goods or services that are directly linked with the purpose for which the grant is made, including, but not limited to, any necessary personnel overtime, contractor services, administrative costs, equipment fuel and maintenance, and rental space.

"(3) CERTIFICATIONS REGARDING DISTRIBUTION OF GRANT FUNDS TO LOCAL GOVERNMENTS.—Any State that receives a covered grant shall certify to the Secretary, by not later than 30 days after the expiration of the period described in paragraph (1) with respect to the grant, that the State has made available for expenditure by local governments, first responders, and other local groups the required amount of grant funds pursuant to paragraph (1).

"(4) QUARTERLY REPORT ON HOMELAND SECURITY SPENDING.—The Federal share described in paragraph (2)(A) may be increased by up to 2 percent for any State, region, or directly eligible tribe that, not later than 30 days after the end of each fiscal quarter, submits to the Secretary a report on that fiscal quarter. Each such report must include, for each recipient of a covered grant or a pass-through under paragraph (1)—

"(A) the amount obligated to that recipient in that quarter;

"(B) the amount expended by that recipient in that quarter; and

"(C) a summary description of the items purchased by such recipient with such amount.

"(5) ANNUAL REPORT ON HOMELAND SECURITY SPENDING.—Each recipient of a covered grant shall submit an annual report to the Secretary not later than 60 days after the end of each Federal fiscal year. Each recipient of a covered grant that is a region must simultaneously submit its report to each State of which any part is included in the region. Each recipient of a covered grant that is a directly eligible tribe must simultaneously submit its report to each State within the boundaries of which

any part of such tribe is located. Each report must include the following:

"(A) The amount, ultimate recipients, and dates of receipt of all funds received under the grant during the previous fiscal year.

"(B) The amount and the dates of disbursements of all such funds expended in compliance with paragraph (1) or pursuant to mutual aid agreements or other sharing arrangements that apply within the State, region, or directly eligible tribe, as applicable, during the previous fiscal year.

"(C) How the funds were utilized by each ultimate recipient or beneficiary during the preceding fiscal year.

"(D) The extent to which capabilities identified in the applicable State homeland security plan or plans were achieved, maintained, or enhanced as the result of the expenditure of grant funds during the preceding fiscal year.

"(E) The extent to which capabilities identified in the applicable State homeland security plan or plans remain unmet.

"(6) INCLUSION OF RESTRICTED ANNEXES.—A recipient of a covered grant may submit to the Sec-

retary an annex to the annual report under paragraph (5) that is subject to appropriate handling restrictions, if the recipient believes that discussion in the report of unmet needs would reveal sensitive but unclassified information.

"(i) INCENTIVES TO EFFICIENT ADMINISTRATION OF HOMELAND SECURITY GRANTS.—

"(1) PENALTIES FOR DELAY IN PASSING THROUGH LOCAL SHARE.—If a recipient of a covered grant that is a State fails to pass through to local governments, first responders, and other local groups funds or resources required by subsection (g)(1) within 45 days after receiving funds under the grant, the Secretary may—

"(A) reduce grant payments to the grant recipient from the portion of grant funds that is not required to be passed through under subsection (g)(1);

"(B) terminate payment of funds under the grant to the recipient, and transfer the appropriate portion of those funds directly to local first responders that were intended to receive funding under that grant; or

"(C) impose additional restrictions or burdens on the recipient's use of funds under the grant, which may include—

"(i) prohibiting use of such funds to pay the grant recipient's grant-related overtime or other expenses;

"(ii) requiring the grant recipient to distribute to local government beneficiaries all or a portion of grant funds that are not required to be passed through under subsection (g)(1); or

"(iii) for each day that the grant recipient fails to pass through funds or resources in accordance with subsection (g)(1), reducing grant payments to the grant recipient from the portion of grant funds that is not required to be passed through under subsection (g)(1), except that the total amount of such reduction may not exceed 20 percent of the total amount of the grant.

"(2) EXTENSION OF PERIOD.—The Governor of a State may request in writing that the Secretary extend the 45-day period under section 2003(e)(5)(E) or paragraph (1) for an additional

15-day period. The Secretary may approve such a request, and may extend such period for additional 15-day periods, if the Secretary determines that the resulting delay in providing grant funding to the local government entities that will receive funding under the grant will not have a significant detrimental impact on such entities' terrorism preparedness efforts.

"(3) PROVISION OF NON-LOCAL SHARE TO LOCAL GOVERNMENT.—

"(A) IN GENERAL.—The Secretary may upon request by a local government pay to the local government a portion of the amount of a covered grant awarded to a State in which the local government is located, if—

"(i) the local government will use the amount paid to expedite planned enhancements to its terrorism preparedness as described in any applicable State homeland security plan or plans;

"(ii) the State has failed to pass through funds or resources in accordance with subsection (g)(1); and

"(iii) the local government complies with subparagraphs (B) and (C).

"(B) SHOWING REQUIRED.—To receive a payment under this paragraph, a local government must demonstrate that—

"(i) it is identified explicitly as an ultimate recipient or intended beneficiary in the approved grant application;

"(ii) it was intended by the grantee to receive a severable portion of the overall grant for a specific purpose that is identified in the grant application;

"(iii) it petitioned the grantee for the funds or resources after expiration of the period within which the funds or resources were required to be passed through under subsection (g)(1); and

"(iv) it did not receive the portion of the overall grant that was earmarked or designated for its use or benefit.

"(C) EFFECT OF PAYMENT.—Payment of grant funds to a local government under this paragraph—

"(i) shall not affect any payment to another local government under this paragraph; and

"(ii) shall not prejudice consideration of a request for payment under this paragraph that is submitted by another local government.

"(D) DEADLINE FOR ACTION BY SECRETARY.—The Secretary shall approve or disapprove each request for payment under this paragraph by not later than 15 days after the date the request is received by the Department.

"(j) REPORTS TO CONGRESS.—The Secretary shall submit an annual report to Congress by January 31 of each year covering the preceding fiscal year—

"(1) describing in detail the amount of Federal funds provided as covered grants that were directed to each State, region, and directly eligible tribe in the preceding fiscal year;

"(2) containing information on the use of such grant funds by grantees; and

"(3) describing—

"(A) the Nation's progress in achieving, maintaining, and enhancing the capabilities established by the Secretary as a result of the expenditure of covered grant funds during the preceding fiscal year; and

"(B) an estimate of the amount of expenditures required to attain across the United States the essential capabilities established by the Secretary.".

TITLE II—ENSURING COMMUNICATIONS INTEROPERABILITY FOR FIRST RESPONDERS

SEC. 201. IMPROVE COMMUNICATIONS FOR EMERGENCY RESPONSE GRANT PROGRAM.

(a) ESTABLISHMENT.—Title V of the Homeland Security Act of 2002 (6 U.S.C. 311 et seq.) is amended by adding at the end the following new section:

"SEC. 522. IMPROVE COMMUNICATIONS FOR EMERGENCY RESPONSE GRANT PROGRAM.

"(a) ESTABLISHMENT.—The Secretary, acting through the Director of the Office of Grants and Training and in coordination with the Director for Emergency Communications, shall establish the Improve Communications for Emergency Response Grant Program to make grants to States and regions to carry out initiatives to improve interoperable emergency communications, including initiatives to achieve solutions to statewide, regional, national, and, where appropriate, international interoperability.

"(b) USE OF GRANT FUNDS.—A State or region receiving a grant under this section may use the grant for short-term or long-term goals for improving interoperable emergency communications, including interoperability within that State or region, and to assist with—

"(1) statewide or regional communications planning;

"(2) design and engineering for interoperable emergency communications systems;

"(3) procurement and installation of interoperable emergency communications equipment;

"(4) interoperable emergency communications exercises;

"(5) modeling and simulation exercises for operational command and control functions;

"(6) technical assistance and training for interoperable emergency communications; and

"(7) other activities determined by the Secretary to be integral to interoperable emergency communications.

"(c) REGION DEFINED.—For the purposes of this section, the term 'region' means any combination of contiguous local government units, including such a combination established by law or mutual aid agreement between

two or more local governments or governmental agencies.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Homeland Security for grants under section 522 of the Homeland Security Act of 2002, as added by subsection (a)—

(1) such sums as may be necessary for the first fiscal year that begins after the later of—

(A) the date on which the Secretary of Homeland Security completes and submits to Congress the National Emergency Communications Plan required under section 1802 of the Homeland Security Act of 2002 (6 U.S.C. 572);

(B) the date on which the Secretary of Homeland Security completes and submits to Congress the first baseline interoperability assessment required under section 1803 of such Act (6 U.S.C. 573); or

(C) the date on which the Secretary of Homeland Security, after consultation with the Director of Emergency Communications, determines and notifies Congress that substantial progress has been made towards the development and promulgation of voluntary consensus-based interoperable communications standards

pursuant to section 1801(c)(11) of such Act (6 U.S.C. 571(c)(11)); and

(2) such sums as may be necessary for each subsequent fiscal year.

(c) CLERICAL AMENDMENT.—The table of contents in section 1(b) of that Act is amended by inserting after the item relating to section 521 the following:

"Sec. 522. Improve Communications for Emergency Response Grant Program.".

TITLE III—STRENGTHENING USE OF A UNIFIED INCIDENT COMMAND DURING EMERGENCIES

SEC. 301. NATIONAL EXERCISE PROGRAM DESIGN.

Section 648(b)(2)(A) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295) is amended by striking clauses (iv) and (v) and inserting the following:

"(iv) designed to provide for systematic evaluation of readiness and enhance operational understanding of the Incident Command System and relevant mutual aid agreements;

"(v) designed to address the unique requirements of populations with special needs; and

"(vi) designed to include the prompt development of after-action reports and plans for quickly incorporating lessons learned into future operations; and".

SEC. 302. NATIONAL EXERCISE PROGRAM MODEL EXERCISES.

Section 648(b)(2)(B) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295) is amended by striking so much as precedes clause (i) and inserting the following:

"(B) shall include a selection of model exercises that State, local, and tribal governments can readily adapt for use, and shall provide assistance to State, local, and tribal governments with the design, implementation, and evaluation of exercises, whether a model exercise program or an exercise designed locally, that—".

SEC. 303. RESPONSIBILITIES OF REGIONAL ADMINISTRATORS OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY.

Section 507(c)(2) of the Homeland Security Act of 2002 (enacted by section 611 of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295)) is amended by striking "and" after the semicolon at the end of subparagraph (H), by redesignating subpara-

graph (I) as subparagraph (J), and by inserting after subparagraph (H) the following:

"(I) assisting State, local, or tribal governments, where appropriate, to pre-identify and evaluate suitable sites where a multi-jurisdictional unified command system can be quickly established if the need for such a system arises; and".

TITLE IV—STRENGTHENING AVIATION SECURITY

SEC. 401. INSTALLATION OF IN-LINE BAGGAGE SCREENING EQUIPMENT.

Not later than 30 days after the date of enactment of this Act, the Secretary for Homeland Security shall submit to the appropriate congressional committees the cost sharing study described in section 4019(d) of the Intelligence Reform and Terrorism Prevention Act of 2004 (118 Stat. 3722), together with the Secretary's analysis of the study, a list of provisions of the study the Secretary intends to implement, and a plan and schedule for implementation of such listed provisions.

SEC. 402. AVIATION SECURITY CAPITAL FUND.

(a) IN GENERAL.—Section 44923(h)(1) of title 49, United States Code, is amended in the second sentence by striking "2007" and inserting "2011".

(b) DISCRETIONARY GRANTS.—Section 44923(h)(3) of such title is amended by striking ''for a fiscal year, $125,000,000'' and inserting '', $125,000,000 for each of fiscal years 2004, 2005, and 2006 and such sums as may be necessary for each of fiscal years 2007 through 2011''.

SEC. 403. AIRPORT CHECKPOINT SCREENING EXPLOSIVE DETECTION.

Section 44940 of title 49, United States Code, is amended—

(1) in subsection (d)(4) by inserting '', other than subsection (i),'' before ''except to''; and

(2) by adding at the end the following:

''(i) CHECKPOINT SCREENING SECURITY FUND.—

''(1) ESTABLISHMENT.—There is established in the Department of Homeland Security a fund to be known as the 'Checkpoint Screening Security Fund'.

''(2) DEPOSITS.—In fiscal year 2008, after amounts are made available under section 44923(h), the next $250,000,000 derived from fees received under subsection (a)(1) shall be available to be deposited in the Fund.

''(3) FEES.—The Secretary of Homeland Security shall impose the fee authorized by subsection (a)(1) so as to collect at least $250,000,000 in fiscal year 2008 for deposit into the Fund.

"(4) AVAILABILITY OF AMOUNTS.—Amounts in the Fund shall be available until expended for the research, development, purchase, deployment, and installation of equipment to improve the ability of security screening personnel at screening checkpoints to detect explosives.".

SEC. 404. STRENGTHENING EXPLOSIVE DETECTION AT AIRPORT SCREENING CHECKPOINTS.

Not later than 7 days after the date of enactment of this Act, the Assistant Secretary for Homeland Security (Transportation Security Administration) shall submit to the appropriate congressional committees the strategic plan described in the section amended by section 4013(a) of the Intelligence Reform and Terrorism Prevention Act of 2004 (118 Stat. 3719).

SEC. 405. EXTENSION OF AUTHORIZATION OF AVIATION SECURITY FUNDING.

Section 48301(a) of title 49, United States Code, is amended by striking "and 2006" and inserting "2006, 2007, 2008, 2009, 2010, and 2011".

SEC. 406. INSPECTION OF CARGO CARRIED ABOARD PASSENGER AIRCRAFT.

(a) IN GENERAL.—Section 44901 of title 49, United States Code, is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following:

"(g) AIR CARGO ON PASSENGER AIRCRAFT.—

"(1) IN GENERAL.—Not later than 3 years after the date of enactment of the Implementing the 9/11 Commission Recommendations Act of 2007, the Secretary of Homeland Security shall establish a system to inspect 100 percent of cargo transported on passenger aircraft operated by an air carrier or foreign air carrier in air transportation or intrastate air transportation to ensure the security of all such passenger aircraft carrying cargo.

"(2) MINIMUM STANDARDS.—The system referred to in paragraph (1) shall require, at a minimum, that equipment, technology, procedures, and personnel are used to inspect cargo carried on passenger aircraft to provide a level of security equivalent to the level of security for the inspection of passenger checked baggage as follows:

"(A) 35 percent of such cargo is so inspected by the end of fiscal year 2007.

"(B) 65 percent of such cargo is so inspected by the end of fiscal year 2008.

"(C) 100 percent of such cargo is so inspected by the end of fiscal year 2009.

"(3) REGULATIONS.—

"(A) INTERIM FINAL RULE.—The Secretary of Homeland Security may issue an interim final rule as a temporary regulation to implement this subsection without regard to the provisions of chapter 5 of title 5.

"(B) FINAL RULE.—

"(i) IN GENERAL.—If the Secretary issues an interim final rule under subparagraph (A), the Secretary shall issue, not later than one year after the effective date of the interim final rule, a final rule as a permanent regulation to implement this subsection in accordance with the provisions of chapter 5 of title 5.

"(ii) FAILURE TO ACT.—If the Secretary does not issue a final rule in accordance with clause (i) on or before the last day of the 1-year period referred to in clause (i), the interim final rule issued under subparagraph (A) shall not be effective after the last day of such period.

"(iii) SUPERCEDING OF INTERIM FINAL RULE.—The final rule issued in accordance with this subparagraph shall supersede the interim final rule issued under subparagraph (A).

"(4) REPORT.—Not later than 1 year after the date of establishment of the system under paragraph (1), the Secretary shall transmit to Congress a report that describes the system.".

(b) ASSESSMENT OF EXEMPTIONS.—

(1) TSA ASSESSMENT OF EXEMPTIONS.—

(A) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the appropriate committees of Congress and to the Comptroller General a report regarding an assessment of each exemption granted for inspection of air cargo and an analysis to assess the risk of maintaining such exemption.

(B) CONTENTS.—The report referred to in subparagraph (A) shall include—

(i) the rationale for each exemption;

(ii) what percentage of cargo is not screened as a result of each exemption;

(iii) the impact of each exemption on aviation security;

(iv) the projected impact on the flow of commerce of eliminating each exemption, respectively, should the Secretary choose to take such action; and

(v) plans and rationale for maintaining, changing, or eliminating each exemption.

(2) GAO ASSESSMENT.—Not later than 120 days after the date on which the report under paragraph (1) is submitted, the Comptroller General shall review the report and provide to Congress an assessment of the methodology of determinations made by the Secretary for maintaining, changing, or eliminating an exemption.

SEC. 407. APPEAL AND REDRESS PROCESS FOR PASSENGERS WRONGLY DELAYED OR PROHIBITED FROM BOARDING A FLIGHT.

(a) IN GENERAL.—Subtitle C of title IV of the Homeland Security Act of 2002 (6 U.S.C. 231 et. seq.) is amended by adding at the end the following:

"SEC. 432. APPEAL AND REDRESS PROCESS FOR PASSENGERS WRONGLY DELAYED OR PROHIBITED FROM BOARDING A FLIGHT.

"(a) IN GENERAL.—The Secretary shall establish a timely and fair process for individuals who believe they have been delayed or prohibited from boarding a commercial aircraft because they were wrongly identified as a threat under the regimes utilized by the Transportation Security Administration, the Bureau of Customs and Border Protection, or any other Department entity.

"(b) OFFICE OF APPEALS AND REDRESS.—

"(1) ESTABLISHMENT.—The Secretary shall establish an Office of Appeals and Redress to oversee the process established by the Secretary pursuant to subsection (a).

"(2) RECORDS.—The process established by the Secretary pursuant to subsection (a) shall include the establishment of a method by which the Office of Appeals and Redress, under the direction of the Secretary, will be able to maintain a record of air carrier passengers and other individuals who have been misidentified and have corrected erroneous information.

"(3) INFORMATION.—To prevent repeated delays of a misidentified passenger or other individual, the Office of Appeals and Redress shall—

"(A) ensure that the records maintained under this subsection contain information determined by the Secretary to authenticate the identity of such a passenger or individual; and

"(B) furnish to the Transportation Security Administration, the Bureau of Customs and Border Protection, or any other appropriate Department entity, upon request, such information as may be necessary to allow such agencies to assist air carriers in improving their administration of the advanced passenger prescreening system and reduce the number of false positives.

"(4) INITIATION OF APPEAL AND REDRESS PROCESS AT AIRPORTS.—The Office of Appeals and Redress shall establish at each airport at which the Department has a significant presence a process to allow air carrier passengers to begin the appeals process established pursuant to subsection (a) at the airport.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 430 the following:

"Sec. 432. Appeal and redress process for passengers wrongly delayed or prohibited from boarding a flight.".

SEC. 408. TRANSPORTATION SECURITY ADMINISTRATION PERSONNEL MANAGEMENT.

(a) ELIMINATION OF CERTAIN PERSONNEL MANAGEMENT AUTHORITIES.—Effective 90 days after the date of the enactment of this Act—

(1) section 111(d) of the Aviation and Transportation Security Act (49 U.S.C. 44935 note) is repealed and any authority of the Secretary of Homeland Security derived from such section 111(d) shall terminate;

(2) any personnel management system, to the extent established or modified pursuant to such section 111(d) (including by the Secretary through the exercise of any authority derived from such section 111(d)) shall terminate; and

(3) the Secretary shall ensure that all TSA employees are subject to the same personnel management system as described in subsection (e)(1) or (e)(2).

(b) ESTABLISHMENT OF CERTAIN UNIFORMITY REQUIREMENTS.—

(1) SYSTEM UNDER SUBSECTION (e)(1).—The Secretary shall, with respect to any personnel management system described in subsection (e)(1), take any measures which may be necessary to provide for

the uniform treatment of all TSA employees under such system.

(2) SYSTEM UNDER SUBSECTION (e)(1).—Section 9701(b) of title 5, United States Code, is amended—

(A) by striking ''and'' at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(6) provide for the uniform treatment of all TSA employees (as defined in section 408(d) of the Implementing the 9/11 Commission Recommendations Act of 2007).''.

(3) EFFECTIVE DATE.—

(A) PROVISIONS RELATING TO A SYSTEM UNDER SUBSECTION (e)(1).—Any measures necessary to carry out paragraph (1) shall take effect 90 days after the date of the enactment of this Act.

(B) PROVISIONS RELATING TO A SYSTEM UNDER SUBSECTION (e)(2).—Any measures necessary to carry out the amendments made by paragraph (2) shall take effect 90 days after

the date of the enactment of this Act or, if later, the commencement date of the system involved.

(c) REPORT TO CONGRESS.—

(1) REPORT REQUIRED.—Not later than 6 months after the date of the enactment of this Act, the Government Accountability Office shall submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report on—

(A) the pay system that applies with respect to TSA employees as of the date of the enactment of this Act; and

(B) any changes to such system which would be made under any regulations which have been prescribed under chapter 97 of title 5, United States Code.

(2) MATTERS FOR INCLUSION.—The report required under paragraph (1) shall include—

(A) a brief description of each pay system described in paragraphs (1)(A) and (1)(B), respectively;

(B) a comparison of the relative advantages and disadvantages of each of those pay systems; and

(C) such other matters as the Government Accountability Office considers appropriate.

(d) TSA EMPLOYEE DEFINED.—In this section, the term ''TSA employee'' means an individual who holds—

(1) any position which was transferred (or the incumbent of which was transferred) from the Transportation Security Administration of the Department of Transportation to the Department of Homeland Security by section 403 of the Homeland Security Act of 2002 (6 U.S.C. 203); or

(2) any other position within the Department of Homeland Security the duties and responsibilities of which include carrying out one or more of the functions that were transferred from the Transportation Security Administration of the Department of Transportation to the Secretary by such section.

(e) PERSONNEL MANAGEMENT SYSTEM DESCRIBED.—A personnel management system described in this subsection is—

(1) any personnel management system, to the extent that it applies with respect to any TSA em-

ployees by virtue of section 114(n) of title 49, United States Code; and

(2) any human resources management system, established under chapter 97 of title 5, United States Code.

SEC. 409. STRATEGIC PLAN TO TEST AND IMPLEMENT ADVANCED PASSENGER PRESCREENING SYSTEM.

Not later than 90 days after the date of the enactment of the Act, the Secretary of Homeland Security shall submit to Congress a plan that—

(1) describes the system to be utilized for the Department of Homeland Security to assume the performance of comparing passenger information, as defined by the Assistant Secretary of Homeland Security (Transportation Security Administration), to the automatic selectee and no fly lists, utilizing appropriate records in the consolidated and integrated terrorist watchlist maintained by the Federal Government;

(2) provides a projected timeline for each phase of testing and implementation of the system;

(3) explains how the system will be integrated with the prescreening system for passenger on international flights; and

(4) describes how the system complies with section 552a of title 5, United States Code.

TITLE V—STRENGTHENING THE SECURITY OF CARGO CONTAINERS

SEC. 501. REQUIREMENTS RELATING TO ENTRY OF CONTAINERS INTO THE UNITED STATES.

(a) REQUIREMENTS.—Section 70116 of title 46, United States Code, is amended by adding at the end the following new subsection:

"(c) REQUIREMENTS RELATING TO ENTRY OF CONTAINERS.—

"(1) IN GENERAL.—A container may enter the United States, either directly or via a foreign port, only if—

"(A) the container is scanned with equipment that meets the standards established pursuant to paragraph (2)(A) and a copy of the scan is provided to the Secretary; and

"(B) the container is secured with a seal that meets the standards established pursuant to paragraph (2)(B), before the container is loaded on the vessel for shipment to the United States.

"(2) STANDARDS FOR SCANNING EQUIPMENT AND SEALS.—

"(A) SCANNING EQUIPMENT.—The Secretary shall establish standards for scanning equipment required to be used under paragraph (1)(A) to ensure that such equipment uses the best-available technology, including technology to scan a container for radiation and density and, if appropriate, for atomic elements.

"(B) SEALS.—The Secretary shall establish standards for seals required to be used under paragraph (1)(B) to ensure that such seals use the best-available technology, including technology to detect any breach into a container and identify the time of such breach.

"(C) REVIEW AND REVISION.—The Secretary shall—

"(i) review and, if necessary, revise the standards established pursuant to subparagraphs (A) and (B) not less than once every two years; and

"(ii) ensure that any such revised standards require the use of technology, as soon as such technology becomes available, to—

"(I) identify the place of a breach into a container;

"(II) notify the Secretary of such breach before the container enters the Exclusive Economic Zone of the United States; and

"(III) track the time and location of the container during transit to the United States, including by truck, rail, or vessel.

"(D) DEFINITION.—In subparagraph (C), the term 'Exclusive Economic Zone of the United States' has the meaning given the term 'Exclusive Economic Zone' in section 2101(10a) of this title.".

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out section 70116(c) of title 46, United States Code, as added by subsection (a) of this section, such sums as may be necessary for each of the fiscal years 2008 through 2013.

(c) REGULATIONS; APPLICATION.—

(1) REGULATIONS.—

(A) INTERIM FINAL RULE.—Consistent with the results of and lessons derived from the pilot system implemented under section 231 of

the SAFE Port Act (Public Law 109–347), the Secretary of Homeland Security shall issue an interim final rule as a temporary regulation to implement section 70116(c) of title 46, United States Code, as added by subsection (a) of this section, not later than 180 days after the date of the submission of the report under section 231 of the SAFE Port Act, without regard to the provisions of chapter 5 of title 5, United States Code.

(B) FINAL RULE.—The Secretary shall issue a final rule as a permanent regulation to implement section 70116(c) of title 46, United States Code, as added by subsection (a) of this section, not later than one year after the date of the submission of the report under section 231 of the SAFE Port Act, in accordance with the provisions of chapter 5 of title 5, United States Code. The final rule issued pursuant to that rulemaking may supersede the interim final rule issued pursuant to subparagraph (A).

(2) PHASED-IN APPLICATION.—

(A) IN GENERAL.—The requirements of section 70116(c) of title 46, United States Code, as added by subsection (a) of this section,

apply with respect to any container entering the United States, either directly or via a foreign port, beginning on—

(i) the end of the 3-year period beginning on the date of the enactment of this Act, in the case of a container loaded on a vessel destined for the United States in a country in which more than 75,000 twenty-foot equivalent units of containers were loaded on vessels for shipping to the United States in 2005; and

(ii) the end of the 5-year period beginning on the date of the enactment of this Act, in the case of a container loaded on a vessel destined for the United States in any other country.

(B) EXTENSION.—The Secretary may extend by up to one year the period under clause (i) or (ii) of subparagraph (A) for containers loaded in a port, if the Secretary—

(i) finds that the scanning equipment required under section 70116(c) of title 46, United States Code, as added by subsection (a) of this section, is not available

for purchase and installation in the port; and

(ii) at least 60 days prior to issuing such extension, transmits such finding to the appropriate congressional committees.

(d) INTERNATIONAL CARGO SECURITY STANDARDS.—The Secretary, in consultation with the Secretary of State, is encouraged to promote and establish international standards for the security of containers moving through the international supply chain with foreign governments and international organizations, including the International Maritime Organization and the World Customs Organization.

(e) INTERNATIONAL TRADE AND OTHER OBLIGATIONS.—In carrying out section 70116(c) of title 46, United States Code, as added by subsection (a) of this section, the Secretary shall consult with appropriate Federal departments and agencies and private sector stakeholders to ensure that actions under such section do not violate international trade obligations or other international obligations of the United States.

TITLE VI—STRENGTHENING EFFORTS TO PREVENT TERRORIST TRAVEL

Subtitle A—Human Smuggling and Trafficking Center Improvements

SEC. 601. STRENGTHENING THE CAPABILITIES OF THE HUMAN SMUGGLING AND TRAFFICKING CENTER.

(a) IN GENERAL.—The Secretary, acting through the Assistant Secretary of Homeland Security for United States Immigration and Customs Enforcement, shall provide to the Human Smuggling and Trafficking Center (in this section referred to as the ''Center'') the administrative support and funding required for its maintenance, including funding for personnel, leasing of office space, supplies, equipment, technology, training, and travel expenses necessary for the Center to carry out its mission.

(b) STAFFING OF THE CENTER.—

(1) IN GENERAL.—Funding provided under subsection (a) shall be used for the hiring of for not fewer than 30 full-time equivalent staff for the Center, to include the following:

(A) One Director.

(B) One Deputy Director for Smuggling.

(C) One Deputy Director for Trafficking.

(D) One Deputy Director for Terrorist Travel.

(E) Not fewer than 15 intelligence analysts or Special Agents, to include the following:

(i) Not fewer than ten such analysts or Agents shall be intelligence analysts or law enforcement agents who shall be detailed from entities within the Department of Homeland Security with human smuggling and trafficking related responsibilities, as determined by the Secretary.

(ii) Not fewer than one full time professional staff detailee from each of the United States Coast Guard, United States Immigration and Customs Enforcement, United States Customs and Border Protection, Transportation Security Administration, and the Office of Intelligence and Analysis.

(2) REQUIREMENTS.—Intelligence analysts or Special Agents detailed to the Center under paragraph (1)(E) shall have at least three years experience related to human smuggling or human trafficking.

(3) DURATION OF ASSIGNMENT.—An intelligence analyst or Special Agent detailed to the Center under paragraph (1)(E) shall be detailed for a period of not less than two years.

(c) FUNDING REIMBURSEMENT.—In operating the Center, the Secretary of Homeland Security shall act in accordance with all applicable requirements of the Economy Act (31 U.S.C. 1535), and shall seek reimbursement from the Attorney General and the Secretary of State, in such amount or proportion as is appropriate, for costs associated with the participation of the Department of Justice and the Department of State in the operation of the Center.

(d) DEVELOPMENT OF PLAN.—The Secretary of Homeland Security shall develop a plan for the Center that—

(1) defines the roles and responsibilities of each Department participating in the Center;

(2) describes how the Department of Homeland Security shall utilize its resources to ensure that the Center uses intelligence to focus and drive its efforts;

(3) describes the mechanism for the sharing of information from United States Immigration and

Customs Enforcement and United States Customs and Border Protection field offices to the Center;

(4) describes the mechanism for the sharing of homeland security information from the Center to the Office of Intelligence and Analysis, including how such sharing shall be consistent with section 1016(b) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458);

(5) establishes reciprocal security clearance status to other participating agencies in the Center in order to ensure full access to necessary databases;

(6) establishes or consolidates networked systems for the Center; and

(7) ensures that the assignment of personnel to the Center from agencies of the Department of Homeland Security is incorporated into the civil service career path of such personnel.

(e) MEMORANDUM OF UNDERSTANDING.—The Secretary of Homeland Security shall execute with the Attorney General a Memorandum of Understanding in order to clarify cooperation and coordination between United States Immigration and Customs Enforcement and the Federal Bureau of Investigation regarding issues related to human smuggling, human trafficking, and terrorist travel.

(f) COORDINATION WITH THE OFFICE OF INTELLIGENCE AND ANALYSIS.—The Office of Intelligence and Analysis, in coordination with the Center, shall submit to Federal, State, local, and tribal law enforcement and other relevant agencies periodic reports regarding terrorist threats related to human smuggling, human trafficking, and terrorist travel.

Subtitle B—International Collaboration to Prevent Terrorist Travel

SEC. 611. REPORT ON INTERNATIONAL COLLABORATION TO INCREASE BORDER SECURITY, ENHANCE GLOBAL DOCUMENT SECURITY, AND EXCHANGE TERRORIST INFORMATION.

(a) REPORT REQUIRED.—Not later than 270 days after the date of the enactment of this Act, the Secretary of State and the Secretary of Homeland Security, in conjunction with the Director of National Intelligence and the heads of other appropriate Federal departments and agencies, shall submit to the appropriate congressional committees a report on efforts of the Government of the United States to collaborate with international partners and allies of the United States to increase border security, enhance global document security, and exchange terrorist information.

(b) CONTENTS.—The report required by subsection (a) shall outline—

(1) all presidential directives, programs, and strategies for carrying out and increasing United States Government efforts described in subsection (a);

(2) the goals and objectives of each of these efforts;

(3) the progress made in each of these efforts; and

(4) the projected timelines for each of these efforts to become fully functional and effective.

(c) DEFINITION.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Foreign Affairs, the Committee on Homeland Security, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the Committee on Foreign Relations, the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate.

Subtitle C—Biometric Border Entry and Exit System

SEC. 621. SUBMITTAL OF PLAN ON BIOMETRIC ENTRY AND EXIT VERIFICATION SYSTEM IMPLEMENTATION.

Not later than 7 days after the date of the enactment of this Act, the Secretary for Homeland Security shall submit to the Committee on Homeland Security and the Committee on the Judiciary and the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary of the Senate the plan developed by the Secretary under section 7208(c) of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C. 1365b(c)(2)) to accelerate the full implementation of an automated biometric entry and exit data system.

TITLE VII—IMPROVING INTELLIGENCE AND INFORMATION SHARING WITH LOCAL LAW ENFORCEMENT AND FIRST RESPONDERS

Subtitle A—Fusion and Law Enforcement Education and Teaming (FLEET) Grant Program

SEC. 701. FINDINGS.

Congress finds the following:

(1) The intelligence component of a State, local, or regional fusion center (in this title referred to generally as ''fusion centers'') focuses on the intelligence process, in which information is collected, integrated, evaluated, analyzed, and disseminated. The Federal Government and nontraditional sources of intelligence information—such as public safety entities at the State, local, and tribal levels, and private sector organizations—all possess valuable information that when ''fused'' with law enforcement data and properly analyzed at fusion centers can provide law enforcement officers with specific and actionable intelligence about terrorist and related criminal activity.

(2) Participation by local and tribal law enforcement officers and intelligence analysts in fusion centers helps secure the homeland by involving such officers and analysts in the intelligence process on a daily basis, by helping them build professional relationships across every level and discipline of government and the private sector, and by ensuring that intelligence and other information, including threat assessment, public safety, law enforcement, public health, social service, and public works, is shared throughout and among relevant communities. Such local and tribal participation in fusion centers supports the efforts of all law enforcement agencies and departments to anticipate, identify, monitor, and prevent terrorist and related criminal activity.

(3) Some local and tribal law enforcement agencies and departments, however, lack resources to participate fully in fusion centers.

(4) Needs-based grant funding will maximize the participation of local and tribal law enforcement agencies and departments in fusion centers by reducing the costs associated with detailing officers and intelligence analysts to fusion centers. Consequently, such grant funding will not only promote the development of more effective, resourceful, and

situationally aware fusion centers, but will also advance the cause of homeland security.

SEC. 702. FLEET GRANT PROGRAM.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 is further amended by adding at the end the following new section:

"SEC. 203. FLEET GRANT PROGRAM.

"(a) IMPLEMENTATION PLAN AND ESTABLISHMENT.—

"(1) IMPLEMENTATION PLAN.—Not later than 90 days after the date of the enactment of the Implementing the 9/11 Commission Recommendations Act of 2007, the Secretary shall develop a Fusion and Law Enforcement Education and Teaming Grant Program (in this section referred to as the 'FLEET Grant program') implementation plan and submit to the appropriate congressional committees a copy of such plan. In developing such plan, the Secretary shall consult with the Attorney General, the Bureau of Justice Assistance, and the Office of Community Oriented Policing of the Department of Justice and shall encourage the participation of fusion centers and local and tribal law enforcement agencies and departments in the development of such plan. Such plan shall include—

"(A) a clear articulation of the purposes, goals, and specific objectives for which the program is being developed;

"(B) an identification of program stakeholders and an assessment of their interests in and expectations for the program;

"(C) a developed set of quantitative metrics to measure, to the extent possible, program output; and

"(D) a developed set of qualitative instruments (e.g., surveys and expert interviews) to assess the extent to which stakeholders believe their needs and expectations are being met by the program.

"(2) ESTABLISHMENT.—Not later than 180 days after the enactment of the Implementing the 9/11 Commission Recommendations Act of 2007, the Secretary shall implement and carry out a FLEET Grant program under which the Secretary, in consultation with the Attorney General, shall make grants to local and tribal law enforcement agencies and departments specified by the Secretary, in consultation with the Attorney General, for the purposes described in subsection (b). Subject to sub-

1 section (g), each such grant shall be made for a two-
2 year period.
3 "(b) USE OF GRANT AMOUNTS.—
4 "(1) IN GENERAL.—A grant made to a local or
5 tribal law enforcement agency or department under
6 subsection (a) shall be used to enable such agency
7 or department to detail eligible law enforcement per-
8 sonnel to participate in a fusion center that serves
9 the geographic area in which such agency or depart-
10 ment is located, and may be used for the following
11 purposes:
12 "(A) To hire new personnel, or to pay ex-
13 isting personnel, to perform the duties of eligi-
14 ble law enforcement personnel who are detailed
15 to a fusion center during the absence of such
16 detailed personnel.
17 "(B) To provide appropriate training, as
18 determined and required by the Secretary, in
19 consultation with the Attorney General, for eli-
20 gible law enforcement personnel who are de-
21 tailed to a fusion center.
22 "(C) To establish communications
23 connectivity between eligible law enforcement
24 personnel who are detailed to a fusion center
25 and the home agency or department of such

1 personnel in accordance with all applicable laws
2 and regulations.
3 "(2) MANDATORY PRIVACY AND CIVIL LIB-
4 ERTIES TRAINING.—All eligible law enforcement per-
5 sonnel detailed to a fusion center under the FLEET
6 Grant Program shall undergo appropriate privacy
7 and civil liberties training that is developed, sup-
8 ported, or sponsored by the Privacy Officer and the
9 Officer for Civil Rights and Civil Liberties in part-
10 nership with the Privacy and Civil Liberties Over-
11 sight Board.
12 "(3) LIMITATION.—A local or tribal law en-
13 forcement agency or department participating in the
14 FLEET Grant program shall continue to provide a
15 salary and benefits to any eligible law enforcement
16 personnel detailed to a fusion center, in the same
17 amounts and under the same conditions that such
18 agency or department provides a salary and benefits
19 to such personnel when not detailed to a fusion cen-
20 ter. None of the funds provided by the FLEET
21 grant program may be used to carry out this para-
22 graph.
23 "(4) ELIGIBLE LAW ENFORCEMENT PER-
24 SONNEL DEFINED.—For purposes of this section,
25 the term 'eligible law enforcement personnel' means

any local or tribal law enforcement officer or intelligence analyst who meets each eligibility requirement specified by the Secretary. Such eligibility requirements shall include a requirement that the officer or analyst has at least two years of experience as a law enforcement officer or intelligence analyst with the local or tribal law enforcement agency or department selected to participate in the FLEET Grant program.

"(c) APPLICATIONS.—

"(1) IN GENERAL.—No grant may be made under subsection (a) unless an application for such grant has been submitted to, and approved by, the Secretary, in consultation with the Attorney General. Such an application shall be submitted in such form, manner, and time, and shall contain such information, as the Secretary, in consultation with the Attorney General, may prescribe by regulation or guidelines.

"(2) JOINT APPLICATIONS.—A local or tribal law enforcement agency or department may file a joint grant application to detail eligible law enforcement personnel to a fusion center. Such application shall be—

"(A) for a single detailed officer or intelligence analyst, who shall be detailed to work at a fusion center on a full-time basis; or

"(B) in the case of participating local and tribal law enforcement agencies or departments for which a detail arrangement described in subparagraph (A) is likely to result in hardship due to a staffing shortage (as determined by the Secretary, in consultation with the Attorney General), for several eligible law enforcement personnel from multiple local or tribal law enforcement agencies or departments in the same geographic area, who shall be detailed to a fusion center, each on a part-time basis, as part of a shared detail arrangement, as long as—

"(i) any hours worked by a detailed officer or analyst at a fusion center in a shared detail arrangement shall be counted toward the hourly shift obligations of such officer or analyst at his or her local or tribal law enforcement agency or department; and

"(ii) no detailed officer or analyst working at a fusion center in a shared detail arrangement shall be required to regu-

larly work more hours than the officer or analyst would otherwise work if the officer or analyst was not participating in the shared detail arrangement.

"(d) DISTRIBUTION OF GRANTS.—In considering applications for grants under subsection (a), the Secretary, in consultation with the Attorney General, shall ensure that, to the extent practicable—

"(1) entities that receive such grants are representative of a broad cross-section of local and tribal law enforcement agencies and departments;

"(2) an appropriate geographic distribution of grants is made among urban, suburban, and rural communities; and

"(3) such grants are awarded based on consideration of any assessments of risk by the Department of Homeland Security.

"(e) PRIORITY.—The Secretary, in consultation with the Attorney General, shall issue regulations regarding the use of a sliding scale based on financial need to ensure that a local or tribal law enforcement agency or department that is eligible to receive a grant under subsection (a) and that demonstrates to the satisfaction of the Secretary, in consultation with the Attorney General, that it is in financial need (as determined by the Secretary, in

consultation with the Attorney General) receives priority in receiving funds under this section.

"(f) MATCHING FUNDS.—

"(1) IN GENERAL.—Subject to paragraph (2), the portion of the costs of a program, project, or activity funded by a grant made to an entity under subsection (a) may not exceed 80 percent.

"(2) EXCEPTION.—The Secretary, in consultation with the Attorney General, may waive, wholly or in part, the requirement under paragraph (1) of a non-Federal contribution to the costs of a program, project, or activity if the entity receiving the grant for such program, project, or activity can demonstrate to the satisfaction of the Secretary, in consultation with the Attorney General, that it would be a hardship for such entity to satisfy such requirement.

"(g) RENEWAL OF GRANTS.—A grant made to a local or tribal law enforcement agency or department under subsection (a) may be renewed on an annual basis for an additional year after the first two-year period during which the entity receives its initial grant, if—

"(1) the entity can demonstrate to the satisfaction of the Secretary, in consultation with the Attorney General, significant progress in achieving the

objectives of the application for the initial grant involved; and

"(2) such renewal would not prevent another local or tribal law enforcement agency or department that has applied for a grant under subsection (a), has not previously received such a grant, and that would otherwise qualify for such a grant, from receiving such a grant, as determined by the Secretary, in consultation with the Attorney General.

"(h) REVOCATION OR SUSPENSION OF FUNDING.—If the Secretary, in consultation with the Attorney General, determines that a grant recipient under this section is not in substantial compliance with the terms and requirements of an approved grant application submitted under subsection (c), the Secretary, in consultation with the Attorney General, may revoke or suspend funding of that grant, in whole or in part. In the case of a revocation or suspension of funds under this subsection based on a determination of fraud, waste, or abuse, with respect to a grant recipient, such grant recipient shall be required to refund the grant funds received under subsection (a) that are related to such fraud, waste, or abuse, respectively.

"(i) REPORTS.—

"(1) REPORTS TO SECRETARY.—Each local or tribal law enforcement agency or department that receives a grant under subsection (a) shall submit to the Secretary and the Attorney General a report for each year such agency or department is a recipient of such grant. Each such report shall include a description and evaluation of each program, project, or activity funded by such grant.

"(2) REPORT TO CONGRESS.—One year after the date of the implementation of the FLEET grant program, and biannually thereafter, the Secretary, in consultation with the Attorney General, shall submit to the appropriate congressional committees a report describing the implementation and progress of the FLEET Grant Program. Each such report shall include the following:

"(A) A list of the local and tribal law enforcement agencies and departments receiving grants.

"(B) Information on the grant amounts awarded to each such agency or department.

"(C) Information on the programs, projects, and activities for which the grant funds are used.

"(D) An evaluation of the effectiveness of the FLEET Grant program with respect to the cause of advancing homeland security, including—

"(i) concrete examples of enhanced information sharing and a description of any preventative law enforcement actions taken based on such information sharing;

"(ii) an evaluation of the effectiveness of the detail arrangements with FLEET Grant program grant recipients;

"(iii) an evaluation of how the FLEET Grant program benefits the fusion centers;

"(iv) a description of how individual law enforcement officers and intelligence analysts detailed to the fusion centers benefit from the detail experience; and

"(v) an evaluation of how the detail of the law enforcement officers and intelligence analysts assists the fusion centers in learning more about criminal or terrorist organizations operating within their areas of operation, including a description of any homeland security information re-

1 quirements that were developed, or any
2 homeland security information gaps that
3 were filled, as a result of the detail ar-
4 rangement.
5 ''(E) An analysis of any areas of need,
6 with respect to the advancement of homeland
7 security, that could be addressed through addi-
8 tional funding or other legislative action.
9 ''(j) CUSTOMER SATISFACTION SURVEYS.—The Sec-
10 retary, in consultation with the Attorney General, shall
11 create a mechanism for State, local, and tribal law en-
12 forcement officers and intelligence analysts who partici-
13 pate in the FLEET Grant program to fill out an electronic
14 customer satisfaction survey, on an appropriate periodic
15 basis, to assess the effectiveness of the FLEET Grant pro-
16 gram with respect to improving information sharing. The
17 results of these voluntary surveys shall be provided elec-
18 tronically to appropriate personnel at the Office of Grants
19 and Training of the Department and at the Bureau of
20 Justice Assistance and the Office of Community Oriented
21 Policing of the Department of Justice. The results of these
22 customer satisfaction surveys shall also be included in an
23 appropriate format in the reports described in subsection
24 (i).

"(k) CONTINUATION ASSESSMENT.—Five years after the date of the implementation of the FLEET Grant program, the Secretary, in consultation with the Attorney General, shall submit to the appropriate congressional committees a FLEET Grant program continuation assessment. Such continuation assessment shall—

"(1) recommend whether Congress should continue to authorize and fund the FLEET Grant program (as authorized under this section or with proposed changes), and provide the reasoning for such recommendation; and

"(2) if the Secretary recommends the continuation of the FLEET Grant program—

"(A) recommend any changes to the program which the Secretary, in consultation with the Attorney General, has identified as necessary to improve the program, and the reasons for any such changes;

"(B) list and describe legislative priorities for Congress relating to the continuation of the program; and

"(C) provide recommendations for the amounts of funding that should be appropriated for the continuation of the program in future

fiscal years, including justifications for such amounts.

"(l) GENERAL REGULATORY AUTHORITY.—The Secretary, in consultation with the Attorney General, may promulgate regulations and guidelines to carry out this section.

"(m) DEFINITIONS.—For the purposes of this section:

"(1) The term 'local law enforcement agency or department' means a local municipal police department or a county sheriff's office in communities where there is no police department.

"(2) The term 'tribal law enforcement agency or department' means the police force of an Indian tribe (as such term is defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) established and maintained by such a tribe pursuant to the tribe's powers of self-government to carry out law enforcement.".

(b) DEFINITION OF FUSION CENTER.—Section 2 of such Act is amended by adding at the end the following new paragraph:

"(17) The terms 'State, local, or regional fusion center' and 'fusion center' mean a State intelligence center or a regional intelligence center that is the

product of a collaborative effort of at least two qualifying agencies that provide resources, expertise, or information to such center with the goal of maximizing the ability of such intelligence center and the qualifying agencies participating in such intelligence center to provide and produce homeland security information required to detect, prevent, apprehend, and respond to terrorist and criminal activity. For purposes of the preceding sentence, qualifying agencies include—

"(A) State, local, and tribal law enforcement authorities, and homeland and public safety agencies;

"(B) State, local, and tribal entities responsible for the protection of public health and infrastructure;

"(C) private sector owners of critical infrastructure, as defined in section 1016(e) of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 (42 U.S.C. 5195c(e));

"(D) Federal law enforcement and homeland security entities; and

"(E) other appropriate entities specified by the Secretary.".

(c) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 202 the following:

"Sec. 203. FLEET Grant Program.".

Subtitle B—Border Intelligence Fusion Center Program

SEC. 711. FINDINGS.

Congress finds the following:

(1) The United States has 216 airports, 143 seaports, and 115 official land border crossings that are official ports of entry. Screening all the people and goods coming through these busy ports is an enormous resource challenge for the men and women of the Department of Homeland Security ("Department") .

(2) Department personnel, including personnel from the Bureau of Customs and Border Protection ("CBP") and U.S. Immigration and Customs Enforcement ("ICE"), cannot be everywhere at all times to ensure that terrorists, weapons of mass destruction, and other related contraband are not being smuggled across the border in order to support attacks against the United States.

(3) State, local, and tribal law enforcement personnel are uniquely situated to help secure the border areas in their respective jurisdictions by serving as ''force multipliers''. To do so, however, law enforcement officers need access to available border intelligence developed by the Department. Such access shall help State, local, and tribal law enforcement personnel deploy their resources most effectively to detect and interdict terrorists, weapons of mass destruction, and related contraband at United States borders.

(4) The Department has not yet developed a single, easily accessible, and widely available system to consistently share border intelligence and other information with its State, local, and tribal law enforcement partners. It likewise has failed to establish a process by which State, local, and tribal law enforcement personnel can consistently share with the Department information that they obtain that is relevant to border security.

(5) As a result, State, local, and tribal law enforcement personnel serving jurisdictions along the northern and southern borders typically depend upon personal relationships with CBP and ICE personnel in their respective jurisdictions to get the in-

formation they need. While personal relationships have helped in some locales, they have not in others. This has led to an inconsistent sharing of border intelligence from jurisdiction to jurisdiction.

(6) State, local, and regional fusion centers (''fusion centers'') may help improve this situation.

(7) In the wake of the terrorist attacks of September 11, 2001, numerous State, local, and tribal authorities responsible for the protection of the public and critical infrastructure established fusion centers to help prevent terrorist attacks while at the same time preparing to respond to and recover from a terrorist attack should one occur.

(8) Most border States have some variation of a fusion center.

(9) In general, while the Federal Government has helped to establish fusion centers through the Department's grants, a substantial percentage of the financial burden to support ongoing fusion center operations is borne by States and localities.

(10) The Department, and in particular, the Department's Office of Intelligence and Analysis, has undertaken a program through which it sends such office's personnel to fusion centers to establish a Department presence at those centers. In so doing,

the hope is that such personnel will serve as a point of contact for information being shared at fusion centers by State, local, and tribal law enforcement personnel. Personnel at fusion centers hopefully will also act as a channel for information being shared by the Department itself.

(11) Border State, local, and tribal law enforcement officers anticipate that fusion centers will be a critical source of border intelligence from the Department. While the Department's border intelligence products generated in the District of Columbia and disseminated to fusion centers will undoubtedly be helpful, a far richer source of border intelligence will likely come from CBP and ICE personnel working locally in border jurisdictions themselves.

(12) Establishing a CBP and ICE presence at border State fusion centers will help ensure the most consistent, timely, and relevant flow of border intelligence to and from the Department and State, local, and tribal law enforcement in border communities. Border State fusion centers thus could serve as a tool to build upon the personal relationships and information sharing that exists in some, but not all,

jurisdictions between CBP, ICE, and State, local, and tribal law enforcement.

SEC. 712. ESTABLISHMENT OF BORDER INTELLIGENCE FUSION CENTER PROGRAM.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is further amended by adding at the end the following new section:

"SEC. 204. BORDER INTELLIGENCE FUSION CENTER PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established in the Department the Border Intelligence Fusion Center Program, to be administered by the Under Secretary for Intelligence and Analysis, for the purpose of stationing Bureau of Customs and Border Protection and U.S. Immigration and Customs Enforcement officers or intelligence analysts in the fusion centers of participating border States.

"(2) NEW HIRES.—Funding provided under the Border Intelligence Fusion Center Program shall be available to hire new CBP and ICE officers or intelligence analysts to replace CBP and ICE officers or intelligence analysts who are stationed at border State fusion centers under this section.

"(b) PARTICIPATION.—

1 "(1) IN GENERAL.—The Secretary may develop
2 qualifying criteria for a border state fusion center's
3 participation in the Border Intelligence Fusion Cen-
4 ter Program.
5 "(2) CRITERIA.—Such criteria may include the
6 following:
7 "(A) Whether the center focuses on a
8 broad counterterrorism and counter-criminal
9 approach, and whether that broad approach is
10 pervasive through all levels of the organization.
11 "(B) Whether the center has sufficient
12 numbers of adequately trained personnel to
13 support a broad counterterrorism and counter-
14 criminal mission.
15 "(C) Whether the center has access to rel-
16 evant law enforcement, private sector, open
17 source, and national security data, as well as
18 the ability to share and analytically exploit such
19 data for actionable ends in accordance with all
20 applicable laws and regulations.
21 "(D) The entity or entities providing finan-
22 cial support for the center's funding.
23 "(E) Whether the center's leadership is
24 committed to the fusion center's mission, and
25 how the leadership sees the center's role in ter-

rorism prevention, mitigation, response, and recovery.

"(c) ASSIGNMENT.—Wherever possible, not fewer than one CBP officer or intelligence analyst and one ICE officer or intelligence analyst shall be stationed at each participating border State fusion center.

"(d) PREREQUISITE.—

"(1) PRIOR WORK EXPERIENCE IN AREA.—To be stationed at a border State fusion center under this section, a CBP or ICE officer shall have served as a CBP or ICE officer in the State in which the fusion center where such officer shall be stationed is located for not less than two years before such assignment in order to ensure that such officer is familiar with the geography and people living in border communities, as well as the State, local, and tribal law enforcement agencies serving those communities.

"(2) INTELLIGENCE ANALYSIS, PRIVACY, AND CIVIL LIBERTIES TRAINING.—Before being stationed at a border State fusion center under this section, a CBP or ICE officer shall undergo—

"(A) appropriate intelligence analysis training via an intelligence-led policing curriculum that is consistent with the standards

and recommendations of the National Criminal Intelligence Sharing Plan, the Department of Justice and Department Fusion Center Guidelines, title 28, part 23, Code of Federal Regulations, as well as any other training prescribed by the Under Secretary for Intelligence and Analysis; and

"(B) appropriate privacy and civil liberties training that is developed, supported, or sponsored by the Privacy Officer and the Officer for Civil Rights and Civil Liberties in partnership with the Privacy and Civil Liberties Oversight Board.

"(3) EXPEDITED SECURITY CLEARANCE PROCESSING.—The Under Secretary for Intelligence and Analysis shall ensure that security clearance processing is expedited for each CBP and ICE officer or intelligence analyst stationed at border State fusion centers under this section and shall ensure that such officer or analyst has the appropriate clearance to conduct the work of the Border Intelligence Fusion Center Program.

"(4) FURTHER QUALIFICATIONS.—Each CBP and ICE officer or intelligence analyst stationed at a border State fusion center under this section shall

1 satisfy any other qualifications the Under Secretary
2 for Intelligence and Analysis may prescribe.
3 ''(e) RESPONSIBILITIES.—
4 ''(1) IN GENERAL.—
5 ''(A) CREATION AND DISSEMINATION OF
6 BORDER INTELLIGENCE PRODUCTS.—CBP and
7 ICE officers and intelligence analysts assigned
8 to border State fusion centers under this sec-
9 tion will help State, local, and tribal law en-
10 forcement in jurisdictions along the northern
11 and southern borders, and border State fusion
12 center staff, overlay threat and suspicious activ-
13 ity with Federal homeland security information
14 in order to develop a more comprehensive and
15 accurate threat picture. Such CBP and ICE of-
16 ficers and intelligence analysts accordingly shall
17 have as their primary mission the review of bor-
18 der security-relevant information from State,
19 local, and tribal law enforcement sources, and
20 the creation of border intelligence products de-
21 rived from such information and other border-
22 security relevant information provided by the
23 Department, and the dissemination of such
24 products to border State, local, and tribal law
25 enforcement. CBP and ICE officers or intel-

1 ligence analysts assigned to border State fusion
2 centers under this section shall also provide
3 such products to the Office of Intelligence and
4 Analysis of the Department for collection and
5 dissemination to other fusion centers in other
6 border States.

7 "(B) DATABASE ACCESS.—In order to ful-
8 fill the objectives described in subparagraph
9 (A), CBP and ICE officers and intelligence an-
10 alysts stationed at border State fusion centers
11 under this section shall have direct access to all
12 relevant databases at their respective agencies.

13 "(C) CUSTOMER SATISFACTION SUR-
14 VEYS.—The Secretary shall create a mechanism
15 for State, local, and tribal law enforcement offi-
16 cers who are consumers of the intelligence prod-
17 ucts described in subparagraph (A) to fill out
18 an electronic customer satisfaction survey when-
19 ever they access such a product. The results of
20 these voluntary surveys should be provided elec-
21 tronically to appropriate personnel of the De-
22 partment. The results of these customer satis-
23 faction surveys should also be included in an
24 appropriate format in the annual status reports
25 described in subsection (h)(2)(A).

1 "(2) CULTIVATION OF RELATIONSHIPS.—CBP
2 and ICE officers and intelligence analysts stationed
3 at border State fusion centers under this section
4 shall actively cultivate relationships with State, local,
5 and tribal law enforcement personnel in border com-
6 munities in order to satisfy the mission described in
7 paragraph (1), and shall make similar outreach to
8 Canadian and Mexican law enforcement authorities
9 serving neighboring communities across the northern
10 and southern borders. CBP and ICE officers and in-
11 telligence analysts stationed at border State fusion
12 centers under this section may also serve as a con-
13 duit of border intelligence products from the Depart-
14 ment itself and shall ensure that such products are
15 provided to all appropriate law enforcement agen-
16 cies, departments, and offices in border States.
17 "(f) RULE OF CONSTRUCTION.—Nothing in this sec-
18 tion shall be construed to require a border State fusion
19 center to participate in the Border Intelligence Fusion
20 Center Program.
21 "(g) REPORTS.—
22 "(1) DEVELOPMENT OF IMPLEMENTATION
23 PLAN.—
24 "(A) IN GENERAL.—Not later than 90
25 days after the date of the enactment of the Im-

1 plementing the 9/11 Commission Recommenda-
2 tions Act of 2007, the Secretary shall develop
3 a Border Intelligence Fusion Center Program
4 implementation plan and submit to the appro-
5 priate congressional committees a copy of such
6 plan. In developing such plan, the Secretary
7 shall consult with State, local, and tribal au-
8 thorities responsible for border State fusion
9 centers.

10 ''(B) CONTENTS.—The implementation
11 plan should also address the following elements
12 for effective program assessment:

13 ''(i) A clear articulation of the pur-
14 poses, goals, and specific objectives for
15 which the program is being developed.

16 ''(ii) An identification of program
17 stakeholders and an assessment of their in-
18 terests in and expectations of the program.

19 ''(iii) A developed set of quantitative
20 metrics to measure, to the extent possible,
21 program output.

22 ''(iv) A developed set of qualitative in-
23 struments (e.g., surveys and expert inter-
24 views) to assess the extent to which stake-

1 holders believe their needs and expecta-
2 tions are being met.
3 "(2) STATUS REPORTS AND CONTINUATION AS-
4 SESSMENT.—
5 "(A) STATUS REPORTS.—
6 "(i) IN GENERAL.—The Secretary
7 shall submit to the appropriate congres-
8 sional committees status reports on the
9 Border Intelligence Fusion Center Pro-
10 gram. The reports shall address the ele-
11 ments described in paragraph (1)(B). The
12 reports shall also include the following:
13 "(I) A description of the training
14 programs in place for CBP and ICE
15 officers and intelligence analysts par-
16 ticipating in the program.
17 "(II) A listing of the border
18 State fusion centers where CBP and
19 ICE officers and intelligence analysts
20 are deployed.
21 "(III) A representative survey of
22 State, local, and tribal law enforce-
23 ment officers serving border jurisdic-
24 tions regarding the specificity and ac-
25 tionable nature of the border intel-

1 ligence provided by CBP and ICE of-
2 ficers at such fusion centers.
3 ''(IV) A description of the results
4 of the customer satisfaction surveys
5 submitted by users of the products de-
6 scribed in subsection (e)(1).
7 ''(ii) DEADLINES.—Status reports
8 under clause (i) shall be submitted not
9 later than—
10 ''(I) one year after the date of
11 the enactment of the Implementing
12 the 9/11 Commission Recommenda-
13 tions Act of 2007; and
14 ''(II) three and five years after
15 the date on which the Border Intel-
16 ligence Fusion Center Program is es-
17 tablished.
18 ''(B) CONTINUATION ASSESSMENT.—Not
19 later than the end of the fifth year following the
20 date on which the Border Intelligence Fusion
21 Center Program is established, the Secretary
22 shall submit to the appropriate congressional
23 committees a Border Intelligence Fusion Center
24 Program Continuation Assessment. The con-

tinuation assessment shall accomplish the following:

"(i) Recommend whether the program should continue in its present or some altered form or not.

"(ii) Provide the reasons for that recommendation.

"(iii) If the recommendation is that the program should continue, list and describe legislative priorities for Congress regarding the continuation of the program, and provide recommended appropriations amounts and justifications for them.

"(h) DEFINITION OF BORDER STATE FUSION CENTER.—The term 'border State fusion center' means a fusion center located in the State of Washington, Idaho, Montana, North Dakota, Minnesota, Wisconsin, Michigan, Ohio, Pennsylvania, New York, Vermont, New Hampshire, Maine, California, Arizona, New Mexico, or Texas.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 203 the following:

"Sec. 204. Border Intelligence Fusion Center Program.".

Subtitle C—Homeland Security Information Sharing Enhancement

SEC. 721. SHORT TITLE.

This subtitle may be cited as the ''Homeland Security Information Sharing Enhancement Act of 2007''.

SEC. 722. HOMELAND SECURITY ADVISORY SYSTEM.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is amended by adding at the end the following:

''SEC. 205. HOMELAND SECURITY ADVISORY SYSTEM.

''(a) REQUIREMENT.—The Under Secretary for Intelligence and Analysis shall implement a Homeland Security Advisory System in accordance with this section to provide public advisories and alerts regarding threats to homeland security, including national, regional, local, and economic sector advisories and alerts, as appropriate.

''(b) REQUIRED ELEMENTS.—The Under Secretary, under the System—

''(1) shall include, in each advisory and alert regarding a threat, information on appropriate protective measures and countermeasures that may be taken in response to the threat;

''(2) shall, whenever possible, limit the scope of each advisory and alert to a specific region, locality, or economic sector believed to be at risk; and

"(3) shall not, in issuing any advisory or alert, use color designations as the exclusive means of specifying the homeland security threat conditions that are the subject of the advisory or alert.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by adding at the end of the items relating to subtitle A of title II the following:

"Sec. 205. Homeland Security Advisory System.".

SEC. 723. HOMELAND SECURITY INFORMATION SHARING.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is further amended by adding at the end the following:

"SEC. 206. HOMELAND SECURITY INFORMATION SHARING.

"(a) INFORMATION SHARING ENVIRONMENT.—Consistent with section 1016 of the National Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485) and in accordance with all other applicable laws and regulations, the Secretary shall integrate and standardize the information of the intelligence components of the Department into a Department information sharing environment, to be administered by the Under Secretary for Intelligence and Analysis.

"(b) INFORMATION SHARING AND KNOWLEDGE MANAGEMENT OFFICERS.—For each intelligence component of the Department, the Secretary shall designate an

information sharing and knowledge management officer who shall report to the Under Secretary for Intelligence and Analysis with respect to coordinating the different systems used in the Department to gather and disseminate homeland security information.

"(c) STATE, LOCAL, AND PRIVATE-SECTOR SOURCES OF INFORMATION.—

"(1) ESTABLISHMENT OF BUSINESS PROCESSES.—The Under Secretary for Intelligence and Analysis shall establish Department-wide procedures for the review and analysis of information gathered from State, local, tribal, and private-sector sources and, as appropriate, integrate such information into the information gathered by the Department and other department and agencies of the Federal Government.

"(2) FEEDBACK.—The Secretary shall develop mechanisms to provide analytical and operational feedback to any State, local, tribal, and private-sector entities that gather information and provide such information to the Secretary.

"(d) TRAINING AND EVALUATION OF EMPLOYEES.—

"(1) TRAINING.—The Under Secretary shall provide to employees of the Department opportunities for training and education to develop an under-

standing of the definition of homeland security information, how information available to them as part of their duties might qualify as homeland security information, and how information available to them is relevant to the Office of Intelligence and Analysis.

"(2) EVALUATIONS.—The Under Secretary shall, on an ongoing basis, evaluate how employees of the Office of Intelligence and Analysis and the intelligence components of the Department are utilizing homeland security information and participating in the Department information sharing environment.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by adding at the end of the items relating to such subtitle the following:

"Sec. 206. Homeland security information sharing.".

(c) ESTABLISHMENT OF COMPREHENSIVE INFORMATION TECHNOLOGY NETWORK ARCHITECTURE.—

(1) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is further amended by adding at the end the following new section:

"SEC. 207. COMPREHENSIVE INFORMATION TECHNOLOGY NETWORK ARCHITECTURE.

''(a) ESTABLISHMENT.—The Secretary, acting through the Chief Intelligence Officer, shall establish a comprehensive information technology network architecture for the Office of Intelligence and Analysis.

''(b) NETWORK MODEL.—The comprehensive information technology network architecture established under subsection (a) shall, to the extent possible, incorporate the approaches, features, and functions of the network proposed by the Markle Foundation in reports issued in October 2002 and December 2003, known as the System-wide Homeland Security Analysis and Resource Exchange (SHARE) Network.

''(c) COMPREHENSIVE INFORMATION TECHNOLOGY NETWORK ARCHITECTURE DEFINED.—the term 'comprehensive information technology network architecture' means an integrated framework for evolving or maintaining existing information technology and acquiring new information technology to achieve the strategic goals and information resources management goals of the Office of Intelligence and Analysis.''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended

by adding at the end of the items relating to such subtitle the following:

"Sec. 207. Comprehensive information technology network architecture.".

(3) REPORTS.—

(A) REPORT ON IMPLEMENTATION OF PLAN.—Not later than 360 days after the date of the enactment of this Act, the Secretary of Homeland Security shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report containing a plan to implement the comprehensive information technology network architecture for the Office of Intelligence and Analysis of the Department of Homeland Security required under section 205 of the Homeland Security Act of 2002, as added by paragraph (1). Such report shall include the following:

(i) Priorities for the development of the comprehensive information technology network architecture and a rationale for such priorities.

(ii) An explanation of how the various components of the comprehensive informa-

tion technology network architecture will work together and interconnect.

(iii) A description of the technology challenges that the Office of Intelligence and Analysis will face in implementing the comprehensive information technology network architecture.

(iv) A description of technology options that are available or are in development that may be incorporated into the comprehensive technology network architecture, the feasibility of incorporating such options, and the advantages and disadvantages of doing so.

(v) An explanation of any security protections to be developed as part of the comprehensive information technology network architecture.

(vi) A description of any safeguards for civil liberties and privacy to be built into the comprehensive information technology network architecture.

(vii) An operational best practices plan.

(B) PROGRESS REPORT.—Not later than 180 days after the date on which the report is submitted under subparagraph (A), the Secretary of Homeland Security shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report on the progress of the Secretary in developing the comprehensive information technology network architecture required under section 205 of the Homeland Security Act of 2002, as added by paragraph (1).

(d) INTELLIGENCE COMPONENT DEFINED.—Section 2 of the Homeland Security Act of 2002 (6 U.S.C. 101) is further amended by adding at the end the following new paragraph:

''(18) The term 'intelligence component of the Department' means any directorate, agency, or element of the Department that gathers, receives, analyzes, produces, or disseminates homeland security information except—

''(A) a directorate, agency, or element of the Department that is required to be maintained as a distinct entity under this Act; or

"(B) any personnel security, physical security, document security, or communications security program within any directorate, agency, or element of the Department.".

Subtitle D—Homeland Security Information Sharing Partnerships

SEC. 731. SHORT TITLE.

This subtitle may be cited as the "Homeland Security Information Sharing Partnerships Act of 2007".

SEC. 732. STATE, LOCAL, AND REGIONAL INFORMATION FUSION CENTER INITIATIVE.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is further is amended by adding at the end the following:

"SEC. 208. STATE, LOCAL, AND REGIONAL FUSION CENTER INITIATIVE.

"(a) ESTABLISHMENT.—The Secretary shall establish a State, Local, and Regional Fusion Center Initiative to establish partnerships with State, local, and regional fusion centers.

"(b) DUTIES.—Through the State, Local, and Regional Fusion Center Initiative, the Secretary shall—

"(1) coordinate with the principal official of each State, local, or regional fusion center and the

1 official designated as the Homeland Security Advisor
2 of the State;
3 ''(2) provide Department operational and intel-
4 ligence advice and assistance to State, local, and re-
5 gional fusion centers;
6 ''(3) support efforts to include State, local, and
7 regional fusion centers into efforts to establish an
8 information sharing environment (as defined under
9 section 1016(a)(2) of the Intelligence Reform and
10 Terrorism Prevention Act of 2004 (6 U.S.C.
11 485(a)(2))) in accordance with all applicable laws
12 and regulations;
13 ''(4) conduct table-top and live training exer-
14 cises to regularly assess the capability of individual
15 and regional networks of State, local, and regional
16 fusion centers to integrate the efforts of such net-
17 works with the efforts of the Department;
18 ''(5) coordinate with other relevant Federal en-
19 tities engaged in homeland security-related activities;
20 ''(6) provide analytic and reporting advice and
21 assistance to State, local, and regional fusion cen-
22 ters;
23 ''(7) review homeland security information
24 gathered by State, local, and regional fusion centers

and incorporate relevant information with homeland security information of the Department;

"(8) provide management assistance to State, local, and regional fusion centers;

"(9) serve as a point of contact to ensure the dissemination of relevant homeland security information.

"(10) facilitate close communication and coordination between State, local, and regional fusion centers and the Department;

"(11) provide State, local, and regional fusion centers with expertise on Department resources and operations;

"(12) provide training to State, local, and regional fusion centers and encourage such fusion centers to participate in terrorist threat-related exercises conducted by the Department; and

"(13) carry out such other duties as the Secretary determines are appropriate.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by adding at the end of the items relating to such subtitle the following:

"Sec. 208. State, Local, and Regional Information Fusion Center Initiative.".

(c) REPORTS.—

(1) CONCEPT OF OPERATIONS.—Not later than 90 days after the date of the enactment of this Act and before the State, Local, and Regional Fusion Center Initiative under section 208 of the Homeland Security Act of 2002, as added by subsection (a), has been implemented, the Secretary shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report that contains a concept of operations for the Initiative, which shall include a privacy and civil liberties impact assessment.

(2) PRIVACY AND CIVIL LIBERTIES.—

(A) REVIEW OF CONCEPT OF OPERATIONS.—Not later than 180 days after the date on which the report under paragraph (1) is submitted, the Privacy Officer of the Department of Homeland Security and the Officer for Civil Rights and Civil Liberties of the Department of Homeland Security shall review the privacy and civil liberties implications of the Initiative and the concept of operations and report any concerns to the Secretary of Homeland Security and the Under Secretary of Homeland Security for Intelligence and Analysis. The Sec-

retary may not implement the Initiative until the Privacy Officer and the Officer for Civil Rights and Civil Liberties have certified that any privacy or civil liberties concerns have been addressed.

(B) REVIEW OF PRIVACY IMPACT.—Under the authority of section 222(5) of the Homeland Security Act of 2002 (6 U.S.C. 142(5)), not later than one year after the date on which the State, Local, and Regional Fusion Center Initiative is implemented, the Privacy Officer of the Department of Homeland Security, in consultation with the Officer for Civil Rights and Civil Liberties of the Department of Homeland Security, shall submit to Congress, the Secretary of Homeland Security, and the Under Secretary of Homeland Security for Intelligence and Analysis a report on the privacy and civil liberties impact of the Initiative.

SEC. 733. HOMELAND SECURITY INFORMATION SHARING FELLOWS PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.) is further amended by adding at the end the following:

"SEC. 209. HOMELAND SECURITY INFORMATION SHARING FELLOWS PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary, acting through the Under Secretary for Intelligence and Analysis, shall establish a fellowship program in accordance with this section for the purpose of—

"(A) detailing State, local, and tribal law enforcement officers and intelligence analysts to the Department to participate in the work of the Office of Intelligence and Analysis in order to become familiar with—

"(i) the mission and capabilities of the Office of Intelligence and Analysis; and

"(ii) the role, programs, products, and personnel of the Office of Intelligence and Analysis; and

"(B) promoting information sharing between the Department and State, local, and tribal law enforcement officers and intelligence analysts by stationing such officers and analysts in order to—

"(i) serve as a point of contact in the Department to assist in the representation of State, local, and tribal homeland security information needs;

"(ii) identify homeland security information of interest to State, local, and tribal law enforcement officers and intelligence analysts; and

"(iii) assist Department analysts in preparing and disseminating terrorism-related products that are tailored to State, local, and tribal law enforcement officers and intelligence analysts and designed to thwart terrorist attacks.

"(2) PROGRAM NAME.—The program under this section shall be known as the 'Homeland Security Information Sharing Fellows Program'.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—In order to be eligible for selection as an Information Sharing Fellow under the program, an individual must—

"(A) have homeland security-related responsibilities or law enforcement-related responsibilities;

"(B) be eligible for an appropriate national security clearance;

"(C) possess a valid need for access to classified information, as determined by the Under Secretary for Intelligence and Analysis;

"(D) be an employee of an eligible entity; and

"(E) have undergone appropriate privacy and civil liberties training that is developed, supported, or sponsored by the Privacy Officer and the Officer for Civil Rights and Civil Liberties in partnership with the Privacy and Civil Liberties Oversight Board.

"(2) ELIGIBLE ENTITIES.—For purposes of this subsection, the term 'eligible entity' means—

"(A) a State, local, or regional fusion center;

"(B) a State or local law enforcement or other government entity that serves a major metropolitan area, as determined by the Secretary;

"(C) a State or local law enforcement or other government entity that serves a suburban or rural area, as determined by the Secretary;

"(D) a State or local law enforcement or other government entity with port responsibilities, as determined by the Secretary;

"(E) a State or local law enforcement or other government entity with border responsibilities, as determined by the Secretary;

"(F) a State or local law enforcement or other government entity with agricultural responsibilities, as determined by the Secretary;

"(G) a tribal law enforcement or other authority; or

"(H) such other entity as the Secretary determines is appropriate.

"(c) OPTIONAL PARTICIPATION.—No State, local, or tribal law enforcement or other government entity shall be required to participate in the Homeland Security Information Sharing Fellows Program.

"(d) PROCEDURES FOR NOMINATION AND SELECTION.—

"(1) IN GENERAL.—The Under Secretary shall establish procedures to provide for the nomination and selection of individuals to participate in the Homeland Security Information Sharing Fellows Program.

"(2) LIMITATIONS.—The Under Secretary shall—

"(A) select law enforcement officers and intelligence analysts representing a broad cross-section of State, local, and tribal agencies; and

"(B) ensure that the number of Information Sharing Fellows selected does not impede

1 the activities of the Office of Intelligence and
2 Analysis.

3 "(e) LENGTH OF SERVICE.—Information Sharing
4 Fellows shall serve for a reasonable period of time, as de-
5 termined by the Under Secretary. Such period of time
6 shall be sufficient to advance the information-sharing
7 goals of the Under Secretary and encourage participation
8 by as many qualified nominees as possible.

9 "(f) CONDITION.—As a condition of selecting an indi-
10 vidual as an Information Sharing Fellow under the pro-
11 gram, the Under Secretary shall require that the individ-
12 ual's employer agree to continue to pay the individual's
13 salary and benefits during the period for which the indi-
14 vidual is detailed.

15 "(g) STIPEND.—During the period for which an indi-
16 vidual is detailed under the program, the Under Secretary
17 shall, subject to the availability of appropriations provide
18 to the individual a stipend to cover the individual's reason-
19 able living expenses for that period.

20 "(h) SECURITY CLEARANCES.—If an individual se-
21 lected for a fellowship under the Information Sharing Fel-
22 lows Program does not possess the appropriate security
23 clearance, the Under Secretary shall ensure that security
24 clearance processing is expedited for such individual and
25 shall ensure that each such Information Sharing Fellow

has obtained the appropriate security clearance prior to participation in the Program.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by adding at the end of the items relating to such subtitle the following:

''Sec. 209. Homeland Security Information Sharing Fellows Program.''.

(c) REPORTS.—

(1) CONCEPT OF OPERATIONS.—Not later than 90 days after the date of the enactment of this Act and before the implementation of the Homeland Security Information Sharing Fellows Program under section 209 of the Homeland Security Act of 2002, as added by subsection (a), the Secretary shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report that contains a concept of operations for the Program, which shall include a privacy and civil liberties impact assessment.

(2) PRIVACY AND CIVIL LIBERTIES.—

(A) REVIEW OF CONCEPT OF OPERATIONS.—Not later than 180 days after the date on which the report under paragraph (1) is submitted, the Privacy Officer of the Department of Homeland Security and the Officer for

1 Civil Rights and Civil Liberties of the Depart-
2 ment of Homeland Security shall review the pri-
3 vacy and civil liberties implications of the Pro-
4 gram and the concept of operations and report
5 any concerns to the Secretary of Homeland Se-
6 curity and the Under Secretary of Homeland
7 Security for Intelligence and Analysis. The Sec-
8 retary may not implement the Program until
9 the Privacy Officer and the Officer for Civil
10 Rights and Civil Liberties have certified that
11 any privacy or civil liberties concerns have been
12 addressed.
13 (B) REVIEW OF PRIVACY IMPACT.—Under
14 the authority of section 222(5) of the Home-
15 land Security Act of 2002 (6 U.S.C. 142(5)),
16 not later than one year after the date on which
17 the Homeland Security Information Sharing
18 Fellows Program is implemented, the Privacy
19 Officer of the Department of Homeland Secu-
20 rity, in consultation with the Officer for Civil
21 Rights and Civil Liberties of the Department of
22 Homeland Security, shall submit to Congress,
23 the Secretary of Homeland Security, and the
24 Under Secretary of Homeland Security for In-

telligence and Analysis a report on the privacy and civil liberties impact of the Program.

Subtitle E—Homeland Security Intelligence Offices Reorganization

SEC. 741. DEPARTMENTAL REORGANIZATION.

(a) REDESIGNATION OF DIRECTORATE FOR INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION.—Section 201 of the Homeland Security Act of 2002 (6 U.S.C. 121) is amended—

(1) in subsection (a)(1)—

(A) by striking ''a Directorate for Information Analysis and Infrastructure Protection'' and inserting ''an Office of Intelligence and Analysis''; and

(B) by striking ''an Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''an Under Secretary for Intelligence and Analysis'';

(2) by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively;

(3) in subsection (b), as so redesignated—

(A) by striking ''and infrastructure protection'' before ''are carried out'' and inserting ''and intelligence''; and

(B) by striking ''the Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''the Under Secretary for Intelligence and Analysis'';

(4) in subsection (c), as so redesignated—

(A) by striking ''the Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''the Under Secretary for Intelligence and Analysis'';

(B) by striking paragraphs (2), (5), and (6), and redesignating paragraphs (3) through (17) as paragraphs (2) through (14), respectively;

(C) by redesignating paragraphs (18) and (19) as paragraphs (20) and (21), respectively;

(D) in paragraph (2), as so redesignated, by striking ''To integrate'' and inserting ''To participate in the integration of'';

(E) in paragraph (14), as so redesignated, by inserting ''the Assistant Secretary for Infrastructure Protection and'' after ''coordinate with''; and

(F) by inserting after paragraph (14), as redesignated by subparagraph (B), the following new paragraphs:

"(15) To coordinate and enhance integration among intelligence components of the Department.

"(16) To establish intelligence priorities, policies, processes, standards, guidelines, and procedures for the Department.

"(17) To establish a structure and process to support the missions and goals of the intelligence components of the Department.

"(18) To ensure that, whenever possible—

"(A) the Under Secretary for Intelligence and Analysis produces and disseminates reports and analytic products based on open-source information that do not require a national security classification under applicable law; and

"(B) such unclassified open source reports are produced and disseminated contemporaneously with reports or analytic products concerning the same or similar information that the Under Secretary for Intelligence and Analysis produces and disseminates in a classified format.

"(19) To establish within the Office of Intelligence Analysis an Internal Continuity of Operations (COOP) Plan that—

"(A) assures that the capability exists to continue uninterrupted operations during a wide range of potential emergencies, including localized acts of nature, accidents, and technological or attack-related emergencies, that is maintained at a high level of readiness and is capable of implementation with and without warning; and

"(B) includes plans and procedures governing succession to office within the Office of Intelligence and Analysis, including—

"(i) emergency delegations of authority (where permissible, and in accordance with applicable law);

"(ii) the safekeeping of vital resources, facilities, and records;

"(iii) the improvisation or emergency acquisition of vital resources necessary for the performance of operations of the Office; and

"(iv) the capability to relocate essential personnel and functions to and to sustain the performance of the operations of the Office at an alternate work site until normal operations can be resumed.";

(5) in subsections (d) and (e), as redesignated by subsection (a)(2), by striking ''Directorate'' each place it appears and inserting ''Office''; and

(6) in subsection (f), as redesignated by subsection (a)(2)—

(A) by striking ''the Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''the Under Secretary for Intelligence and Analysis and the Assistant Secretary for Infrastructure Protection''; and

(B) by inserting ''and section 203'' after ''under this section''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) HOMELAND SECURITY ACT OF 2002.—The Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is amended—

(A) in section 103(a), by adding at the end the following new paragraph:

''(10) An Under Secretary for Intelligence and Analysis.'';

(B) in section 223, by striking ''Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''Under Secretary for Intelligence and Analysis, in co-

operation with the Assistant Secretary for Infrastructure Protection''; (C) in section 224, by striking ''Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''Assistant Secretary for Infrastructure Protection''; and (D) in section 302(3), by striking ''Under Secretary for Information Analysis and Infrastructure Protection'' and inserting ''Under Secretary for Intelligence and Analysis and the Assistant Secretary for Infrastructure Protection''.

(2) HEADINGS.—

(A) SECTION 201.—The heading for section 201 of such Act is amended to read as follows:

''SEC. 201. OFFICE OF INTELLIGENCE AND ANALYSIS.''.

(B) SECTION 201(a).—The heading for subsection (a) of section 201 of such Act is amended to read as follows:

''(a) UNDER SECRETARY OF HOMELAND SECURITY FOR INTELLIGENCE AND ANALYSIS.—''.

(C) SECTION 201(b).—The heading for subsection (b) of section 201 of such Act, as re-

designated by subsection (a)(2), is amended to read as follows:

"(b) DISCHARGE OF INTELLIGENCE AND ANALYSIS.—".

(3) NATIONAL SECURITY ACT OF 1947.—Section 106(b)(2)(I) of the National Security Act of 1947 (50 U.S.C. 403–6) is amended to read as follows:

"(I) The Under Secretary for Intelligence and Analysis of the Department of Homeland Security.".

(4) INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.—Section 7306(a)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458; 118 Stat. 3848) is amended by striking "Under Secretary for Information Analysis and Infrastructure Protection" and inserting "Under Secretary for Intelligence and Analysis".

SEC. 742. INTELLIGENCE COMPONENTS OF DEPARTMENT OF HOMELAND SECURITY.

(a) RESPONSIBILITIES.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 201 et seq.) is further amended by adding at the end the following new section:

"SEC. 210. INTELLIGENCE COMPONENTS.

"(a) RESPONSIBILITIES.—Subject to the direction and control of the Secretary, the responsibilities of the head of each intelligence component of the Department are as follows:

"(1) To ensure that duties related to the acquisition, analysis, and dissemination of homeland security information are carried out effectively and efficiently in support of the Under Secretary for Intelligence and Analysis.

"(2) To support and implement the goals established in cooperation with the Under Secretary for Intelligence and Analysis.

"(3) To incorporate the input of the Under Secretary for Intelligence and Analysis with respect to performance appraisals, bonus or award recommendations, pay adjustments, and other forms of commendation.

"(4) To coordinate with the Under Secretary for Intelligence and Analysis in the recruitment and selection of intelligence officials of the intelligence component.

"(5) To advise and coordinate with the Under Secretary for Intelligence and Analysis on any plan to reorganize or restructure the intelligence compo-

nent that would, if implemented, result in realignments of intelligence functions.

"(6) To ensure that employees of the intelligence component have knowledge of and comply with the programs and policies established by the Under Secretary for Intelligence and Analysis and other appropriate officials of the Department and that such employees comply with all applicable laws and regulations.

"(7) To perform such other duties relating to such responsibilities as the Secretary may provide.

"(b) TRAINING OF EMPLOYEES.—The Secretary shall provide training and guidance for employees, officials, and senior executives of the intelligence components of the Department to develop knowledge of laws, regulations, operations, policies, procedures, and programs that are related to the functions of the Department relating to the handling, analysis, dissemination, and acquisition of homeland security information.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by adding at the end of the items relating to such subtitle the following:

"Sec. 210. Intelligence components.".

SEC. 743. OFFICE OF INFRASTRUCTURE PROTECTION.

(a) ESTABLISHMENT.—Subtitle A of title II of the Homeland Security Act of 2002 (6 U.S.C. 201 et seq.) is further amended by adding at the end the following new section:

"SEC. 210A. OFFICE OF INFRASTRUCTURE PROTECTION.

"(a) ASSISTANT SECRETARY FOR INFRASTRUCTURE PROTECTION.—

"(1) IN GENERAL.—There shall be in the Department an Office of Infrastructure Protection headed by an Assistant Secretary for Infrastructure Protection.

"(2) RESPONSIBILITIES.—The Assistant Secretary shall assist the Secretary in discharging the responsibilities assigned by the Secretary.

"(b) DISCHARGE OF INFRASTRUCTURE PROTECTION.—The Secretary shall ensure that the responsibilities of the Department regarding infrastructure protection are carried out through the Assistant Secretary for Infrastructure Protection.

"(c) RESPONSIBILITIES OF ASSISTANT SECRETARY.—Subject to the direction and control of the Secretary, the responsibilities of the Assistant Secretary for Infrastructure Protection shall be as follows:

"(1) To carry out comprehensive assessments of the vulnerabilities of the key resources and critical

1 infrastructure of the United States, including the
2 performance of risk assessments to determine the
3 risks posed by particular types of terrorist attacks
4 within the United States (including an assessment of
5 the probability of success of such attacks and the
6 feasibility and potential efficacy of various counter-
7 measures to such attacks).

8 ''(2) To participate in the integration of rel-
9 evant information, analyses, and vulnerability assess-
10 ments (whether such information, analyses, or as-
11 sessments are provided or produced by the Depart-
12 ment or others) in order to identify priorities for
13 protective and support measures by the Department,
14 other agencies of the Federal Government, State and
15 local government agencies and authorities, the pri-
16 vate sector, and other entities.

17 ''(3) To develop a comprehensive national plan
18 for securing the key resources and critical infra-
19 structure of the United States, including power pro-
20 duction, generation, and distribution systems, infor-
21 mation technology and telecommunications systems
22 (including satellites), electronic financial and prop-
23 erty record storage and transmission systems, emer-
24 gency preparedness communications systems, and

the physical and technological assets that support such systems.

"(4) To recommend measures necessary to protect the key resources and critical infrastructure of the United States in coordination with other agencies of the Federal Government and in cooperation with State and local government agencies and authorities, the private sector, and other entities.

"(5) To coordinate with the Under Secretary for Intelligence and Analysis and elements of the intelligence community and with Federal, State, and local law enforcement agencies, and the private sector, as appropriate.

"(6) To perform such other duties as assigned by the Secretary under this Act.

"(d) STAFF.—

"(1) IN GENERAL.—The Secretary shall provide the Office with a staff having appropriate expertise and experience to assist the Assistant Secretary in discharging responsibilities under this section.

"(2) PRIVATE SECTOR STAFF.—Staff under this subsection may include staff from the private sector.

"(3) SECURITY CLEARANCES.—Staff under this subsection shall possess security clearances appropriate for their work under this section.

"(e) DETAIL OF PERSONNEL.—

"(1) IN GENERAL.—In order to assist the Office in discharging responsibilities under this section, personnel of other Federal agencies may be detailed to the Department for the performance of analytic functions and related duties.

"(2) COOPERATIVE AGREEMENTS.—The Secretary and the head of the agency concerned may enter into cooperative agreements for the purpose of detailing personnel under this subsection.

"(3) BASIS.—The detail of personnel under this subsection may be on a reimbursable or non-reimbursable basis.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by adding at the end of the items relating to such subtitle the following:

"Sec. 210A. Office of Infrastructure Protection.".

TITLE VIII—PROTECTING PRIVACY AND CIVIL LIBERTIES WHILE EFFECTIVELY FIGHTING TERRORISM

Subtitle A—Privacy and Civil Liberties Oversight Boards

SEC. 801. SHORT TITLE.

This subtitle may be cited as the ''Protection of Civil Liberties Act''.

SEC. 802. FINDINGS.

Congress finds the following:

(1) On July 22, 2004 the National Commission on Terrorist Attacks Upon the United States issued a report that included 41 specific recommendations to help prevent future terrorist attacks, including details of a global strategy and government reorganization necessary to implement that strategy.

(2) One of the recommendations focused on the protections of civil liberties. Specifically the following recommendation was made: ''At this time of increased and consolidated government authority, there should be a board within the executive branch to oversee adherence to the guidelines we recommend and the commitment the government makes to defend our civil liberties.''.

(3) The report also states that ''the choice between security and liberty is a false choice, as nothing is more likely to endanger America's liberties than the success of a terrorist attack at home. Our History has shown that the insecurity threatens liberty at home. Yet if our liberties are curtailed, we lose the values that we are struggling to defend.''.

(4) On December 17, 2004, Public Law 108–458, the National Intelligence Reform Act, was signed into law. This law created a civil liberties board that does not have the authority necessary to protect civil liberties.

SEC. 803. MAKING THE PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD INDEPENDENT.

Section 1061(b) of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note) is amended by striking ''within the Executive Office of the President'' and inserting ''as an independent agency within the Executive branch''.

SEC. 804. REQUIRING ALL MEMBERS OF THE PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD BE CONFIRMED BY THE SENATE.

Subsection (e) of section 1061 of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note) is amended to read as follows:

1 "(e) MEMBERSHIP.—

2 "(1) MEMBERS.—The Board shall be composed
3 of a full-time chairman and 4 additional members,
4 who shall be appointed by the President by no later
5 than 6 months after the date of the enactment of
6 the Protection of Civil Liberties Act, by and with the
7 advice and consent of the Senate, which shall move
8 expeditiously following each nomination.

9 "(2) QUALIFICATIONS.—Members of the Board
10 shall be selected solely on the basis of their profes-
11 sional qualifications, achievements, public stature,
12 expertise in civil liberties and privacy, and relevant
13 experience, and without regard to political affiliation,
14 but in no event shall more than 3 members of the
15 Board be members of the same political party. The
16 President shall, before appointing an individual who
17 is not a member of the same political party as the
18 President consult with the leadership of that party,
19 if any, in the Senate and House of Representatives.

20 "(3) INCOMPATIBLE OFFICE.—An individual
21 appointed to the Board may not, while serving on
22 the Board, be an elected official, officer, or employee
23 of the Federal Government, other than in the capac-
24 ity as a member of the Board.

"(4) TERM.—Each member of the Board shall serve a term of six years, except that—

"(A) a member appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term;

"(B) upon the expiration of the term of office of a member, the member shall continue to serve until the member's successor has been appointed and qualified, except that no member may serve under this subparagraph—

"(i) for more than 60 days when Congress is in session unless a nomination to fill the vacancy shall have been submitted to the Senate; or

"(ii) after the adjournment sine die of the session of the Senate in which such nomination is submitted; and

"(C) the members initially appointed under this subsection shall serve terms of two, three, four, five, and six years, respectively, from the effective date of this Act, with the term of each such member to be designated by the President.

"(5) QUORUM AND MEETINGS.—The Board shall meet upon the call of the chairman or a major-

ity of its members. Three members of the Board shall constitute a quorum.''.

SEC. 805. SUBPOENA POWER FOR THE PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD.

Section 1061(d) of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note) is amended—

(1) so that subparagraph (D) of paragraph (1) reads as follows:

''(D) require, by subpoena issued at the direction of a majority of the members of the Board, persons (other than departments, agencies, and elements of the executive branch) to produce any relevant information, documents, reports, answers, records, accounts, papers, and other documentary or testimonial evidence.''; and

(2) so that paragraph (2) reads as follows:

''(2) ENFORCEMENT OF SUBPOENA.—In the case of contumacy or failure to obey a subpoena issued under paragraph (1)(D), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found may issue an order requiring such person to produce the evidence required by such subpoena.''.

SEC. 806. REPORTING REQUIREMENTS.

(a) DUTIES OF BOARD.—Paragraph (4) of section 1061(c) of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note) is amended to read as follows:

"(4) REPORTS.—

"(A) RECEIPT, REVIEW, AND SUBMISSION.—

"(i) IN GENERAL.—The Board shall—

"(I) receive and review reports from privacy officers and civil liberties officers described in section 212; and

"(II) periodically submit, not less than semiannually, reports to the appropriate congressional committees, including the Committees on the Judiciary of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives, the Com-

mittee on Homeland Security of the House of Representatives, and to the President.

Such reports shall be in unclassified form to the greatest extent possible, with a classified annex where necessary.

"(ii) CONTENTS.—Not less than 2 reports the Board submits each year under clause (i)(II) shall include—

"(I) a description of the major activities of the Board during the preceding period;

"(II) information on the findings, conclusions, and recommendations of the Board resulting from its advice and oversight functions under subsection (c);

"(III) the minority views on any findings, conclusions, and recommendations of the Board resulting from its advice and oversight functions under subsection (c); and

"(IV) each proposal reviewed by the Board under subsection (c)(1) that the Board advised against imple-

1 menting, but that notwithstanding
2 such advice, was implemented.
3 "(B) INFORMING THE PUBLIC.—The
4 Board shall—
5 "(i) make its reports, including its re-
6 ports to Congress, available to the public
7 to the greatest extent that is consistent
8 with the protection of classified informa-
9 tion and applicable law; and
10 "(ii) hold public hearings and other-
11 wise inform the public of its activities, as
12 appropriate and in a manner consistent
13 with the protection of classified informa-
14 tion and applicable law.".
15 (b) PRIVACY AND CIVIL LIBERTIES OFFICERS.—
16 (1) DESIGNATION OF OFFICERS.—Section 1062
17 of the Intelligence Reform and Terrorism Prevention
18 Act of 2004 (118 Stat. 3688) is amended to read as
19 follows:
20 **"SEC. 1062. PRIVACY AND CIVIL LIBERTIES OFFICERS.**
21 "(a) DESIGNATION AND FUNCTIONS.—The Attorney
22 General, the Secretary of Defense, the Secretary of State,
23 the Secretary of the Treasury, the Secretary of Health and
24 Human Services, the Secretary of Homeland Security, the
25 National Intelligence Director, the Director of the Central

1 Intelligence Agency, any other entity within the intel-
2 ligence community (as defined in section 3 of the National
3 Security Act of 1947 (50 U.S.C. 401a)), and the head of
4 any other department, agency, or element of the executive
5 branch designated by the Privacy and Civil Liberties Over-
6 sight Board to be appropriate for coverage under this sec-
7 tion shall designate not less than 1 senior officer to—

8 ''(1) assist the head of such department, agen-
9 cy, or element and other officials of such depart-
10 ment, agency, or element in appropriately consid-
11 ering privacy and civil liberties concerns when such
12 officials are proposing, developing, or implementing
13 laws, regulations, policies, procedures, or guidelines
14 related to efforts to protect the Nation against ter-
15 rorism;

16 ''(2) periodically investigate and review depart-
17 ment, agency, or element actions, policies, proce-
18 dures, guidelines, and related laws and their imple-
19 mentation to ensure that such department, agency,
20 or element is adequately considering privacy and
21 civil liberties in its actions;

22 ''(3) ensure that such department, agency, or
23 element has adequate procedures to receive, inves-
24 tigate, respond to, and redress complaints from indi-

viduals who allege such department, agency, or element has violated their privacy or civil liberties; and

"(4) in providing advice on proposals to retain or enhance a particular governmental power the officer shall consider whether such department, agency, or element has established—

"(A) that the power actually enhances security and the need for the power is balanced with the need to protect privacy and civil liberties;

"(B) that there is adequate supervision of the use by such department, agency, or element of the power to ensure protection of privacy and civil liberties; and

"(C) that there are adequate guidelines and oversight to properly confine its use.

"(b) EXCEPTION TO DESIGNATION AUTHORITY.—

"(1) PRIVACY OFFICERS.—In any department, agency, or element referred to in subsection (a) or designated by the Board, which has a statutorily created privacy officer, such officer shall perform the functions specified in subsection (a) with respect to privacy.

"(2) CIVIL LIBERTIES OFFICERS.—In any department, agency, or element referred to in sub-

1 section (a) or designated by the Board, which has a
2 statutorily created civil liberties officer, such officer
3 shall perform the functions specified in subsection
4 (a) with respect to civil liberties.

5 ''(c) SUPERVISION AND COORDINATION.—Each pri-
6 vacy officer or civil liberties officer described in subsection
7 (a) or (b) shall—

8 ''(1) report directly to the head of the depart-
9 ment, agency, or element concerned; and

10 ''(2) coordinate their activities with the Inspec-
11 tor General of such department, agency, or element
12 to avoid duplication of effort.

13 ''(d) AGENCY COOPERATION.—The head of each de-
14 partment, agency, or element shall ensure that each pri-
15 vacy officer and civil liberties officer—

16 ''(1) has the information, material, and re-
17 sources necessary to fulfill the functions of such offi-
18 cer;

19 ''(2) is advised of proposed policy changes;

20 ''(3) is consulted by decisionmakers; and

21 ''(4) is given access to material and personnel
22 the officer determines to be necessary to carry out
23 the functions of such officer.

24 ''(e) REPRISAL FOR MAKING COMPLAINT.—No ac-
25 tion constituting a reprisal, or threat of reprisal, for mak-

ing a complaint or for disclosing information to a privacy officer or civil liberties officer described in subsection (a) or (b), or to the Privacy and Civil Liberties Oversight Board, that indicates a possible violation of privacy protections or civil liberties in the administration of the programs and operations of the Federal Government relating to efforts to protect the Nation from terrorism shall be taken by any Federal employee in a position to take such action, unless the complaint was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

"(f) PERIODIC REPORTS.—

"(1) IN GENERAL.—The privacy officers and civil liberties officers of each department, agency, or element referred to or described in subsection (a) or (b) shall periodically, but not less than quarterly, submit a report on the activities of such officers—

"(A)(i) to the appropriate congressional committees, including the Committees on the Judiciary of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, the Select Committee on Intelligence of the Senate,

and the Permanent Select Committee on Intelligence of the House of Representatives;

"(ii) to the head of such department, agency, or element; and

"(iii) to the Privacy and Civil Liberties Oversight Board; and

"(B) which shall be in unclassified form to the greatest extent possible, with a classified annex where necessary.

"(2) CONTENTS.—Each report submitted under paragraph (1) shall include information on the discharge of each of the functions of the officer concerned, including—

"(A) information on the number and types of reviews undertaken;

"(B) the type of advice provided and the response given to such advice;

"(C) the number and nature of the complaints received by the department, agency, or element concerned for alleged violations; and

"(D) a summary of the disposition of such complaints, the reviews and inquiries conducted, and the impact of the activities of such officer.

"(g) INFORMING THE PUBLIC.—Each privacy officer and civil liberties officer shall—

"(1) make the reports of such officer, including reports to Congress, available to the public to the greatest extent that is consistent with the protection of classified information and applicable law; and

"(2) otherwise inform the public of the activities of such officer, as appropriate and in a manner consistent with the protection of classified information and applicable law.

"(h) SAVINGS CLAUSE.—Nothing in this section shall be construed to limit or otherwise supplant any other authorities or responsibilities provided by law to privacy officers or civil liberties officers.

"(i) PROTECTIONS FOR HUMAN RESEARCH SUBJECTS.—The Secretary of Homeland Security shall ensure that the Department of Homeland Security complies with the protections for human research subjects, as described in part 46 of title 45, Code of Federal Regulations, or in equivalent regulations as promulgated by such Secretary, with respect to research that is conducted or supported by such Department.".

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by striking the item relating to section 1062 and inserting the following:

"Sec. 1062. Privacy and civil liberties officers.".

Subtitle B—Enhancement of Privacy Officer Authorities

SEC. 811. SHORT TITLE.

This subtitle may be cited as the ''Privacy Officer With Enhanced Rights Act of 2007'' or the ''POWER Act''.

SEC. 812. AUTHORITIES OF THE PRIVACY OFFICER OF THE DEPARTMENT OF HOMELAND SECURITY.

Section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142) is amended—

(1) by inserting before the first sentence the following: ''(a) APPOINTMENT AND RESPONSIBILITIES.—''; and

(2) by adding at the end the following:

''(b) AUTHORITY TO INVESTIGATE.—

''(1) IN GENERAL.—The senior official appointed under this section is specifically authorized—

''(A) to have access to all records, reports, audits, reviews, documents, papers, recommendations, and other materials available to the Department that relate to programs and operations with respect to which the senior official has responsibilities under this section;

"(B) to make such investigations and reports relating to the administration of the programs and operations of the Department as are, in the senior official's judgment, necessary or desirable;

"(C) to require by subpoena the production, by persons other than Federal agencies, of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary to performance of the functions of the senior official under this section;

"(D) to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary to performance of the functions of the senior official under this section; and

"(E) to take any other action that may be taken by the Inspector General of the Department, as necessary to require employees of the Department to produce documents and answer questions relevant to performance of the functions of the senior official under this section.

"(2) ENFORCEMENT OF SUBPOENAS.—Any subpoena issued under paragraph (1)(C) shall, in the case of contumacy or refusal to obey, be enforceable

by order of any appropriate United States district court.

"(3) EFFECT OF OATHS, ETC.—Any oath, affirmation, or affidavit administered or taken under paragraph (1)(D) by or before an employee of the Privacy Office designated for that purpose by the senior official appointed under subsection (a) shall have the same force and effect as if administered or taken by or before an officer having a seal of office.

"(c) TERM OF OFFICE.—The term of appointment of a senior official under subsection (a) shall be 5 years.

"(d) REPORTS TO CONGRESS.—The senior official appointed under subsection (a) shall submit reports directly to Congress regarding performance of the responsibilities of the senior official under this section, without any prior comment or amendment by the Secretary, Deputy Secretary, or any other officer or employee of the Department or the Office of Management and Budget.".

TITLE IX—IMPROVING CRITICAL INFRASTRUCTURE SECURITY

SEC. 901. VULNERABILITY ASSESSMENT AND REPORT ON CRITICAL INFRASTRUCTURE INFORMATION.

(a) IN GENERAL.—Subtitle B of title II of the Homeland Security Act of 2002 is amended by adding at the end the following new section:

"SEC. 216. ANNUAL CRITICAL INFRASTRUCTURE VULNERABILITY ASSESSMENT AND REPORT.

"(a) VULNERABILITY ASSESSMENT REQUIRED.—Except where a vulnerability assessment is required under another provision of law, for each fiscal year, the Secretary, acting through the Assistant Secretary for Infrastructure Protection pursuant to the responsibilities under section 210A, shall prepare a vulnerability assessment of the critical infrastructure information available to the Secretary with respect to that fiscal year. Each vulnerability assessment shall contain any actions or countermeasures proposed or recommended by the Secretary to address security concerns covered in the assessment. The information in each such assessment shall be set forth separately for each critical infrastructure sector, including the critical infrastructure sectors named in Homeland Security Presidential Directive-7, as in effect on January 1, 2006.

"(b) ANNUAL REPORT TO CONGRESS.—

"(1) REPORT REQUIRED.—Not later than six months after the last day of a fiscal year, the Secretary shall submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report containing a summary and review of the vulnerability assessments prepared by the Secretary under subsection (a) for that fiscal

year and the two preceding fiscal years. The information in the report shall be set forth separately for each of the critical infrastructure sectors described in subsection (a).

"(2) CONTENTS OF REPORT.—The Secretary shall include in the report required under paragraph (1)—

"(A) for each critical infrastructure sector covered by the report, a summary comparison describing any changes between the vulnerability assessment for the fiscal year covered by the report and the vulnerability assessment for the preceding fiscal year;

"(B) the explanation and comments of the Secretary with respect to the greatest risks to critical infrastructure for each such sector; and

"(C) the recommendations of the Secretary for mitigating such risks.

"(3) CLASSIFIED ANNEX.—The report required under paragraph (1) may contain a classified annex.".

(b) TECHNICAL AMENDMENT.—Section 212(3) of such Act (6 U.S.C. 131(3)) is amended—

(1) by inserting ''relating to'' after ''the security of critical infrastructure or protected systems''; and

(2) in subparagraph (A), by inserting ''the'' after ''(A)''.

(c) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 215 the following new item:

''Sec. 216. Annual critical infrastructure vulnerability assessment and report.''.

SEC. 902. NATIONAL ASSET DATABASE AND THE NATIONAL AT-RISK DATABASE.

(a) IN GENERAL.—Subtitle A of title II of the Homeland Security Act of 2002 is amended by adding at the end the following new sections:

''SEC. 210C. NATIONAL ASSET DATABASE AND NATIONAL AT-RISK DATABASE.

''(a) ESTABLISHMENT.—

''(1) NATIONAL ASSET DATABASE.—The Secretary shall establish and maintain a national database of nationwide critical infrastructure assets to identify and prioritize critical infrastructure and key resources and to protect them from terrorist attack. The database shall be known as the 'National Asset Database'.

''(2) NATIONAL AT-RISK DATABASE.—The Secretary shall establish within the National Asset

1 Database, a database containing a list of the infra-
2 structure the Secretary determines is most at risk,
3 to be known as the 'National At-Risk Database'.
4 "(3) NATIONAL ASSET DATABASE CONSOR-
5 TIUM.—
6 "(A) ESTABLISHMENT.—The Secretary
7 shall establish a consortium to be known as the
8 'National Asset Database Consortium'. The
9 Consortium shall advise the Secretary on the
10 best way to identify, generate, organize, and
11 maintain the databases described in paragraphs
12 (1) and (2) and shall be made up of at least
13 two but not more than four national labora-
14 tories and the heads of such other Federal
15 agencies as the Secretary deems appropriate.
16 "(B) ADMINISTRATION AND CONSULTA-
17 TION.—The Secretary shall—
18 "(i) select as members of the National
19 Asset Database Consortium national lab-
20 oratories or Federal agencies that have
21 demonstrated experience working with and
22 identifying critical infrastructure;
23 "(ii) enter into contracts, as nec-
24 essary, with the members of the National

Asset Database Consortium to perform the tasks required under this section; and

"(iii) solicit and receive comments from the National Asset Database Consortium on—

"(I) the appropriateness of the protection and risk methodologies in the National Infrastructure Protection Plan or other nationwide infrastructure protection plan issued by the Department; and

"(II) alternative means to define risk and identify specific criteria to prioritize the most at-risk infrastructure or key resources.

"(b) USE OF DATABASE.—The Secretary shall use the database established under subsection (a)—

"(1) in the development, coordination, integration, and implementation of plans and programs, including to identify, catalog, prioritize, and protect critical infrastructure and key resources in accordance with Homeland Security Presidential Directive number 7, and in cooperation with all levels of government and private sector entities that the Secretary considers appropriate; and

1 "(2) in providing any covered grant to assist in
2 preventing, reducing, mitigating, or responding to
3 terrorist attack.
4 "(c) MAINTENANCE OF DATABASE.—
5 "(1) IN GENERAL.—The Secretary shall main-
6 tain and annually update the database, including
7 by—
8 "(A) annually defining and systematically
9 examining assets in the database that are de-
10 scribed incorrectly or that do not meet national
11 assets guidelines used by the Secretary to deter-
12 mine which assets should remain in the Na-
13 tional Asset Database and the National At-Risk
14 Database;
15 "(B) annually providing a list to the States
16 of assets referred to in subparagraph (A) for
17 review before finalizing the decision of which
18 assets to include in the National Asset Data-
19 base and the National At-Risk Database;
20 "(C) reviewing the guidelines to the States
21 to ensure consistency and uniformity for inclu-
22 sion and how the Department intends to use
23 that data;
24 "(D) meeting annually with the States to
25 provide guidance and clarification of the guide-

lines to promote consistency and uniformity in submissions;

"(E) utilizing on an ongoing basis the National Asset Database and other expert panels established by the Department to review and refine the National Asset Database and the National At-Risk Database; and

"(F) utilizing the Department's National Infrastructure Simulation and Analysis Center for the National Asset Database taxonomy and asset information in the National Asset Database and facilitating the future exchange of information between the National Asset Database and such center.

"(2) ORGANIZATION OF INFORMATION IN DATABASE.—The Secretary shall—

"(A) remove from the National Asset Database or the National At-Risk Database any asset that the Secretary determines to be unverifiable and as not meeting national asset guidelines set forth by the Secretary in requests for information from States; and

"(B) classify assets in the database according to the 17 sectors listed in National Infrastructure Protection Plan developed pursuant to

1 Homeland Security Presidential Directive 7, to
2 ensure that the assets in the National Asset
3 Database and the National At-Risk Database
4 can be categorized by State and locality, region-
5 ally, and in such a manner as is effective for
6 grants and other purposes.
7 "(3) MILESTONES AND GUIDELINES.—The Sec-
8 retary shall—
9 "(A) identify and evaluate key milestones
10 for the National Asset Database and the Na-
11 tional At-Risk Database, including methods to
12 integrate private sector assets and tasks that
13 must be completed to eventually allocate home-
14 land security grant programs based on the in-
15 formation contained in the database; and
16 "(B) issue guidelines for—
17 "(i) States to submit uniform infor-
18 mation for possible inclusion in the Na-
19 tional Asset Database or the National At-
20 Risk Database; and
21 "(ii) review of such submissions by
22 the Department.
23 "(d) REPORTS.—
24 "(1) IN GENERAL.—Not later than March 1 of
25 each year, the Secretary shall submit to the Com-

1 mittee on Homeland Security of the House of Rep-
2 resentatives and the Committee on Homeland Secu-
3 rity and Governmental Affairs of the Senate a report
4 on the critical infrastructure included in the Na-
5 tional Asset Database that is most at risk to ter-
6 rorism.

7 "(2) CONTENTS.—Each report shall include the
8 following:

9 "(A) The name, location, and sector classi-
10 fication of assets in the National Asset Data-
11 base that have been identified or deemed crit-
12 ical infrastructure that is most at risk to ter-
13 rorism.

14 "(B) Changes made in such database re-
15 garding such critical infrastructure made dur-
16 ing the period covered by the report regard-
17 ing—

18 "(i) defining and identifying critical
19 infrastructure; and

20 "(ii) compiling a usable database.

21 "(C) The extent to which the database has
22 been used as a tool for allocating funds to pre-
23 vent, reduce, mitigate, and respond to terrorist
24 attacks.

"(3) CLASSIFIED INFORMATION.—The Secretary shall provide to the members of the committees to which the report required under this subsection is required to be submitted under paragraph (1) a classified briefing on the contents of such report. The Secretary shall also submit with each report a classified annex containing information required to be submitted under this section that cannot be made public.

"(e) COVERED GRANT DEFINED.—In this section, the term 'covered grant' means any grant provided by the Department under any of the following:

"(1) The Urban Area Security Initiative.

"(2) The Buffer Zone Protection Program.

"(3) Any other grant program administered by the Department, as determined appropriate by the Secretary.

"(4) Any successor to a program referred to in this paragraph.".

(b) DEADLINES FOR IMPLEMENTATION AND NOTIFICATION OF CONGRESS.—

(1) DEADLINE FOR RECOMMENDATIONS.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Homeland Security shall secure recommendations on how to identify,

generate, organize, and maintain the list of assets in the databases from the consortium of national laboratories, as required under section 210C(a)(2) of the Homeland Security Act of 2002, as added by subsection (a).

(2) DEADLINE FOR FIRST REPORT REGARDING USE OF THE NATIONAL ASSET DATABASE.—Notwithstanding the date specified under section 210C(d) of the Homeland Security Act of 2002, as added by subsection (a), the Secretary of Homeland Security shall submit the first report required under that section not later than 180 days after the date of the enactment of this Act.

(c) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is further amended by inserting after the item relating to section 210 the following:

"Sec. 210C. National Asset Database and National At-Risk Database.".

(d) SUBMITTAL OF CERTAIN REPORTS.—Each report that is authorized or required by this Act (or the amendments made by this Act) to be prepared by the Secretary of Homeland Security and that concerns a matter of the type carried out under an program under the jurisdiction of the Committee on Energy and Commerce of the House of Representatives shall be submitted to the Committee on Energy and Commerce of the House of Representa-

tives, in addition to the other congressional committees involved.

TITLE X—TRANSPORTATION SECURITY PLANNING AND INFORMATION SHARING

SEC. 1001. STRATEGIC TRANSPORTATION SECURITY INFORMATION SHARING.

Section 114 of title 49, United States Code, is amended by adding at the end the following:

"(u) STRATEGIC INFORMATION SHARING.—

"(1) ESTABLISHMENT OF PLAN.—The Secretary of Homeland Security shall establish a Strategic Transportation Security Information Sharing Plan.

"(2) PURPOSE OF PLAN.—The plan shall ensure the robust development of tactical and strategic intelligence products for disseminating to public and private stakeholders security information relating to threats to and vulnerabilities of transportation modes, including aviation, bridge and tunnel, commuter rail and ferry, highway, maritime, pipeline, rail, mass transit, and over-the-road bus transportation.

"(3) CONTENT OF PLAN.—The plan shall include—

"(A) a description of how intelligence analysts in the Transportation Security Administration are coordinating their activities with other intelligence analysts in the Department of Homeland Security and other Federal, State, and local agencies;

"(B) reasonable deadlines for completing any organizational changes within the Department of Homeland Security required to accommodate implementation of the plan; and

"(C) a description of resource needs for fulfilling the plan.

"(4) REPORTS TO CONGRESS.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall submit to the appropriate congressional committees a report containing the plan.

"(B) UPDATES.—

"(i) CERTIFICATION OF FULL IMPLEMENTATION.—After achieving full implementation of the plan, the Secretary shall submit to the appropriate congressional committees a written certification of such implementation.

"(ii) UPDATES ON IMPLEMENTATION.—Not later than 90 days after the date of submission of a report under subparagraph (A), and every 90 days thereafter until the date of submission of a written certification under clause (i), the Secretary shall submit to the appropriate congressional committees a report containing an update on implementation of the plan.

"(C) ANNUAL REPORT.—Following the date of submission of a written certification under subparagraph (B)(i), the Secretary shall submit to the appropriate congressional committees an annual report on the following:

"(i) The number of transportation intelligence reports disseminated under the plan and a brief description of each report.

"(ii) The security classification of each report.

"(iii) The number of public and private stakeholders who were provided with each report.

"(5) SURVEY.—The Secretary shall conduct an annual survey of the satisfaction of each of the re-

1 cipients of transportation intelligence reports dis-
2 seminated under the plan, and include the results of
3 the survey as part of the annual report to be sub-
4 mitted under paragraph (4)(C).

5 "(6) SECURITY CLEARANCES.—The Secretary
6 shall ensure that public and private stakeholders
7 have the security clearances needed to receive classi-
8 fied information if information contained in trans-
9 portation intelligence reports cannot be disseminated
10 in an unclassified format.

11 "(7) CLASSIFICATION OF MATERIAL.—To the
12 greatest extent possible, the Secretary shall provide
13 public and private stakeholders with specific and ac-
14 tionable information in an unclassified format.

15 "(8) DEFINITIONS.—In this subsection, the fol-
16 lowing definitions apply:

17 "(A) APPROPRIATE CONGRESSIONAL COM-
18 MITTEES.—The term 'appropriate congressional
19 committees' has the meaning given that term in
20 subsection (t).

21 "(B) PLAN.—The term 'plan' means the
22 Strategic Transportation Security Information
23 Sharing Plan established under paragraph (1).

24 "(C) PUBLIC AND PRIVATE STAKE-
25 HOLDERS.—The term 'public and private stake-

holders' means Federal, State, and local agencies, tribal governments, and appropriate private entities, including nonprofit employee labor organizations.''.

SEC. 1002. TRANSPORTATION SECURITY STRATEGIC PLANNING.

(a) IN GENERAL.—Section 114(t)(1)(B) of title 49, United States Code, is amended to read as follows:

''(B) transportation modal security plans addressing risks, threats, and vulnerabilities for aviation, bridge and tunnel, commuter rail and ferry, highway, maritime, pipeline, rail, mass transit, over-the-road bus, and other public transportation infrastructure assets.''.

(b) ROLE OF SECRETARY OF TRANSPORTATION.—Section 114(t)(2) of such title is amended by inserting before the period at the end the following: ''and in carrying out all other responsibilities set forth in this subsection''.

(c) CONTENTS OF NATIONAL STRATEGY FOR TRANSPORTATION SECURITY.—Section 114(t)(3) of such title is amended—

(1) in subparagraph (B) by inserting '', based on vulnerability assessments conducted by the Department of Homeland Security,'' after ''risk-based priorities'';

(2) in subparagraph (D)—

(A) by striking ''and local'' and inserting '', local, and tribal''; and

(B) by striking ''private sector cooperation and participation'' and inserting ''cooperation and participation by private sector entities, including nonprofit employee labor organizations,'';

(3) in subparagraph (E)—

(A) by striking ''response'' and inserting ''prevention, response,''; and

(B) by inserting ''and outside of'' before ''the United States''; and

(4) in subparagraph (F) by adding at the end the following: ''Research and development projects initiated by the Department of Homeland Security shall be based on such prioritization.''.

(d) PERIODIC PROGRESS REPORT.—Section 114(t)(4)(C) is amended—

(1) in clause (i) by inserting before the period at the end the following: '', including the transportation modal security plans'';

(2) by striking clause (ii) and inserting the following:

"(ii) CONTENT.—Each progress report submitted under this subparagraph shall include, at a minimum, the following:

"(I) Recommendations for improving and implementing the National Strategy for Transportation Security and the transportation modal security plans that the Secretary, in consultation with the Secretary of Transportation, considers appropriate.

"(II) An accounting of all grants for transportation security, including grants for research and development, distributed by the Department of Homeland Security in the previous year and a description of how the grants accomplished the goals of the National Strategy for Transportation Security.

"(III) An accounting of all funds (other than grants referred in subclause (II)) expended by the Department of Homeland Security on transportation security.

1 "(IV) Information on the number
2 of employees of the Department of
3 Homeland Security, by agency, work-
4 ing on transportation security issues.
5 The listing shall be divided by trans-
6 portation mode, including aviation,
7 bridge and tunnel, commuter rail and
8 ferry, highway, maritime, pipeline,
9 rail, mass transit, over-the-road bus,
10 and other public transportation
11 modes. The listing shall include infor-
12 mation, by transportation mode, on
13 the number of contractors hired by
14 the Department of Homeland Security
15 to work on transportation-related se-
16 curity.
17 "(V) Information on the turnover
18 in the previous year among employees
19 of the Department of Homeland Secu-
20 rity working on transportation secu-
21 rity issues. Specifically, the report
22 shall provide information on the num-
23 ber of employees who have left the
24 Department, their agency, the area in
25 which they worked, and the amount of

time that they worked for the Department.

"(iii) WRITTEN EXPLANATION OF TRANSPORTATION SECURITY ACTIVITIES NOT DELINEATED IN THE NATIONAL STRATEGY FOR TRANSPORTATION SECURITY.—Before carrying out a transportation security activity that is not clearly delineated in the National Strategy for Transportation Security, the Secretary shall submit to appropriate congressional committees a written explanation of the activity, including the amount of funds to be expended for the activity.".

(e) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—Section 114(t)(4)(E) of such title is amended by striking "Select".

(f) PRIORITY STATUS.—Section 114(t)(5)(B) of such title is amended—

(1) by striking "and" at the end of clause (iii);

(2) by redesignating clause (iv) as clause (v); and

(3) by inserting after clause (iii) the following:

"(iv) the transportation sector specific plan required under Homeland Security Presidential Directive 7; and".

(g) COORDINATION; PLAN DISTRIBUTION.—Section 114(t) of such title is amended by adding at the end the following:

"(6) COORDINATION.—In carrying out the responsibilities set forth in this section, the Secretary of Homeland Security, working with the Secretary of Transportation, shall consult with Federal, State, and local agencies, tribal governments, private sector entities (including nonprofit employee labor organizations), institutions of higher learning, and other appropriate entities.

"(7) PLAN DISTRIBUTION.—The Secretary of Homeland Security shall provide an unclassified version of the National Strategy for Transportation Security to Federal, State, and local agencies, tribal governments, private sector entities (including nonprofit employee labor organizations), institutions of higher learning, and other appropriate entities.".

TITLE XI—PRIVATE SECTOR PREPAREDNESS

SEC. 1101. PARTICIPATION OF PRIVATE SECTOR ORGANIZATIONS IN EMERGENCY PREPAREDNESS AND RESPONSE ACTIVITIES.

(a) ESTABLISHMENT OF PREPAREDNESS PROGRAM.—Section 519 of the Homeland Security Act of 2002 (6 U.S.C. 318) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 519. PARTICIPATION OF PRIVATE SECTOR ORGANIZATIONS IN EMERGENCY PREPAREDNESS AND RESPONSE ACTIVITIES.";

(2) by inserting "(a) USE OF PRIVATE SECTOR NETWORKS IN EMERGENCY RESPONSE.—" before "To the maximum"; and

(3) by adding at the end the following:

"(b) PRIVATE SECTOR EMERGENCY PREPAREDNESS PROGRAM.—

"(1) PREPAREDNESS PROGRAM.—Not later than 90 days after the date of enactment of this subsection, the Secretary shall develop and implement a program to enhance private sector preparedness for acts of terrorism and other emergencies and

disasters through the promotion of the use of voluntary consensus standards.

"(2) PROGRAM ELEMENTS.—In carrying out the program, the Secretary shall develop guidance and identify best practices to assist or foster action by the private sector in—

"(A) identifying hazards and assessing risks and impacts;

"(B) mitigating the impacts of a wide variety of hazards, including weapons of mass destruction;

"(C) managing necessary emergency preparedness and response resources;

"(D) developing mutual aid agreements;

"(E) developing and maintaining emergency preparedness and response plans, as well as associated operational procedures;

"(F) developing and conducting training and exercises to support and evaluate emergency preparedness and response plans and operational procedures;

"(G) developing and conducting training programs for security guards to implement emergency preparedness and response plans and operations procedures; and

1 "(H) developing procedures to respond to
2 external requests for information from the
3 media and the public.
4 "(3) STANDARDS.—
5 "(A) IN GENERAL.—The Secretary shall
6 support the development of, promulgate, and
7 regularly update as necessary national vol-
8 untary consensus standards for private sector
9 emergency preparedness that will enable private
10 sector organizations to achieve optimal levels of
11 emergency preparedness as soon as practicable.
12 Such standards shall include the National Fire
13 Protection Association 1600 Standard on Dis-
14 aster/Emergency Management and Business
15 Continuity Programs.
16 "(B) CONSULTATION.—The Secretary
17 shall carry out paragraph (1) in consultation
18 with the Assistant Secretary for Infrastructure
19 Protection, the Assistant Secretary for Cyber
20 Security and Communications, the Under Sec-
21 retary for Science and Technology, the Director
22 of the Federal Emergency Management Agency,
23 and the Special Assistant to the Secretary for
24 the Private Sector.

"(4) COORDINATION.—The Secretary shall coordinate the program with, and utilize to the maximum extent practicable—

"(A) the voluntary standards for disaster and emergency management and business continuity programs accredited by the American National Standards Institute and developed by the National Fire Protection Association; and

"(B) any existing private sector emergency preparedness guidance or best practices developed by private sector industry associations or other organizations.".

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) of such Act is amended by striking the item relating to section 519 and inserting the following:

"Sec. 519. Participation of private sector organizations in emergency preparedness and response activities.".

TITLE XII—PREVENTING WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM

SEC. 1201. FINDINGS.

(a) FINDINGS OF THE 9/11 COMMISSION.—Congress finds that the 9/11 Commission made the following determinations:

(1) The United States Government has made insufficient progress, and receives a grade ''D'', on efforts to prevent weapons of mass destruction (WMD) proliferation and terrorism.

(2) The Cooperative Threat Reduction (CTR) program has made significant accomplishments, but much remains to be done to secure weapons-grade nuclear materials. The size of the problem still dwarfs the policy response. Nuclear materials in the former Soviet Union still lack effective security protection, and sites throughout the world contain enough highly-enriched uranium to fashion a nuclear device but lack even basic security features.

(3) Preventing the proliferation of WMD and acquisition of such weapons by terrorists warrants a maximum effort, by strengthening counter-proliferation efforts, expanding the Proliferation Security Initiative (PSI), and supporting the Cooperative Threat Reduction (CTR) Program.

(4) Preventing terrorists from gaining access to WMD must be an urgent national security priority because of the threat such access poses to the American people. The President should develop a comprehensive plan to dramatically accelerate the timetable for securing all nuclear weapons-usable mate-

rial around the world and request the necessary resources to complete this task. The President should publicly state this goal and ensure its fulfillment.

(5) Congress should provide the resources needed to secure vulnerable materials as quickly as possible.

(b) RECOMMENDATIONS OF 9/11 COMMISSION.—Congress further finds that the 9/11 Commission has made the following recommendations:

(1) STRENGTHEN ''COUNTER-PROLIFERATION'' EFFORTS.—The United States should work with the international community to develop laws and an international legal regime with universal jurisdiction to enable any state in the world to capture, interdict, and prosecute smugglers of nuclear material.

(2) EXPAND THE PROLIFERATION SECURITY INITIATIVE.—In carrying out the Proliferation Security Initiative (PSI), the United States should—

(A) use intelligence and planning resources of the North Atlantic Treaty Organization (NATO) alliance;

(B) make participation open to non-NATO countries; and

(C) encourage Russia and the People's Republic of China to participate.

(3) SUPPORT THE COOPERATIVE THREAT REDUCTION PROGRAM.—The United States should expand, improve, increase resources for, and otherwise fully support the Cooperative Threat Reduction (CTR) program.

SEC. 1202. DEFINITIONS.

In this title:

(1) The terms ''prevention of weapons of mass destruction proliferation and terrorism'' and ''prevention of WMD proliferation and terrorism'' include activities under—

(A) the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note);

(B) the programs for which appropriations are authorized by section 3101(a)(2) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2458);

(C) programs authorized by section 504 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (the FREEDOM Support Act) (22 U.S.C. 5854) and programs authorized by sec-

tion 1412 of the Former Soviet Union Demilitarization Act of 1992 (22 U.S.C. 5902); and

(D) a program of any agency of the Federal Government having a purpose similar to that of any of the programs identified in subparagraphs (A) through (C), as designated by the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism and the head of the agency.

(2) The terms ''weapons of mass destruction'' and ''WMD'' mean chemical, biological, and nuclear weapons, and chemical, biological, and nuclear materials that can be used in the manufacture of such weapons.

(3) The term ''items of proliferation concern'' means equipment or other materials that could be used to develop WMD or for activities involving WMD.

Subtitle A—Repeal and Modification of Limitations on Assistance for Prevention of WMD Proliferation and Terrorism

SEC. 1211. REPEAL AND MODIFICATION OF LIMITATIONS ON ASSISTANCE FOR PREVENTION OF WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM.

Consistent with the recommendations of the 9/11 Commission, Congress repeals or modifies the limitations on assistance for prevention of weapons of mass destruction (WMD) proliferation and terrorism as follows:

(1) SOVIET NUCLEAR THREAT REDUCTION ACT OF 1991.—Section 211(b) of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228; 22 U.S.C. 2551 note) is repealed.

(2) COOPERATIVE THREAT REDUCTION ACT OF 1993.—Section 1203(d) of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160; 22 U.S.C. 5952(d)) is repealed.

(3) RUSSIAN CHEMICAL WEAPONS DESTRUCTION FACILITIES.—Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 22 U.S.C. 5952 note) is repealed.

(4) AUTHORITY TO USE COOPERATIVE THREAT REDUCTION FUNDS OUTSIDE THE FORMER SOVIET UNION—MODIFICATION OF CERTIFICATION REQUIREMENT; REPEAL OF FUNDING LIMITATION; CONGRESSIONAL NOTICE REQUIREMENT.—Section 1308 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 22 U.S.C. 5963) is amended—

(A) in subsection (a)—

(i) by striking ''the President may'' and inserting ''the Secretary of Defense may''; and

(ii) by striking ''if the President'' and inserting ''if the Secretary of Defense, with the concurrence of the Secretary of State,'';

(B) by striking subsection (c);

(C) in subsection (d)(1)—

(i) by striking ''The President may not'' and inserting ''The Secretary of Defense may not''; and

(ii) by striking ''until the President'' and inserting ''until the Secretary of Defense'';

(D) in subsection (d)(2)—

(i) by striking ''Not later than 10 days after'' and inserting ''Not later than 15 days prior to'';

(ii) by striking ''the President shall'' and inserting ''the Secretary of Defense shall''; and

(iii) by striking ''Congress'' and inserting ''the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services and Committee on Foreign Relations of the Senate''; and

(E) in subsection (d) by adding at the end the following:

''(3) In the case of a situation that threatens human life or safety or where a delay would severely undermine the national security of the United States, notification under paragraph (2) shall be made not later than 10 days after obligating funds under the authority in subsection (a) for a project or activity.''.

(5) AUTHORITY TO USE INTERNATIONAL NUCLEAR MATERIALS PROTECTION AND COOPERATION PROGRAM FUNDS OUTSIDE THE FORMER SOVIET UNION—MODIFICATION OF CERTIFICATION RE-

QUIREMENT; REPEAL OF FUNDING LIMITATION; CONGRESSIONAL NOTICE REQUIREMENT.—Section 3124 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1747) is amended—

(A) in subsection (a)—

(i) by striking ''the President may'' and inserting ''the Secretary of Energy may''; and

(ii) by striking ''if the President'' and inserting ''if the Secretary of Energy, with the concurrence of the Secretary of State,'';

(B) by striking subsection (c);

(C) in subsection (d)(1)—

(i) by striking ''The President may not'' and inserting ''The Secretary of Energy may not''; and

(ii) by striking ''until the President'' and inserting ''until the Secretary of Energy'';

(D) in subsection (d)(2)—

(i) by striking ''Not later than 10 days after'' and inserting ''Not later than 15 days prior to'';

(ii) by striking ''the President shall'' and inserting ''the Secretary of Energy shall''; and

(iii) by striking ''Congress'' and inserting ''the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services and Committee on Foreign Relations of the Senate''; and

(E) in subsection (d) by adding at the end the following:

''(3) In the case of a situation that threatens human life or safety or where a delay would severely undermine the national security of the United States, notification under paragraph (2) shall be made not later than 10 days after obligating funds under the authority in subsection (a) for a project or activity.''.

Subtitle B—Proliferation Security Initiative

SEC. 1221. PROLIFERATION SECURITY INITIATIVE IMPROVEMENTS AND AUTHORITIES.

(a) SENSE OF CONGRESS.—It is the sense of Congress, consistent with the 9/11 Commission's recommendations, that the President should strive to expand

and strengthen the Proliferation Security Initiative (PSI) announced by the President on May 31, 2003, with a particular emphasis on the following:

(1) Issuing a presidential directive to the relevant government agencies and departments that establishes a defined annual budget and clear authorities, and provides other necessary resources and structures to achieve more efficient and effective performance of United States PSI-related activities.

(2) Working with the United Nations Security Council to develop a resolution to authorize the PSI under international law.

(3) Increasing PSI cooperation with non-NATO partners.

(4) Implementing the recommendations of the Government Accountability Office (GAO) in the September 2006 report titled ''Better Controls Needed to Plan and Manage Proliferation Security Initiative Activities'' (GAO–06–937C), including the following:

(A) The Department of Defense and the Department of State should establish clear PSI roles and responsibilities, policies and procedures, interagency communication mechanisms, documentation requirements, and indicators to measure program results.

(B) The Department of Defense and the Department of State should develop a strategy to work with PSI-participating countries to resolve issues that are impediments to conducting successful PSI interdictions.

(5) Expanding and formalizing the PSI into a multilateral regime to increase coordination, cooperation, and compliance among its participating states in interdiction activities.

(b) BUDGET SUBMISSION.—The Secretary of State and the Secretary of Defense shall submit a defined budget for the PSI, beginning with the budget submissions for their respective departments for fiscal year 2009.

(c) IMPLEMENTATION REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services and the Committee on Foreign Relations of the Senate a report on the implementation of this section. The report shall include—

(1) the steps taken to implement the recommendations described in paragraph (4) of subsection (a); and

(2) the progress made toward implementing the matters described in paragraphs (1), (2), (3), and (5) of subsection (a).

(d) GAO ANNUAL REPORT.—The Government Accountability Office shall submit to Congress, beginning in fiscal year 2007, an annual report with its assessment of the progress and effectiveness of the PSI, which shall include an assessment of the measures referred to in subsection (a).

SEC. 1222. AUTHORITY TO PROVIDE ASSISTANCE TO COOPERATIVE COUNTRIES.

(a) IN GENERAL.—The President is authorized to provide, on such terms as the President considers appropriate, assistance under subsection (b) to any country that cooperates with the United States and with other countries allied with the United States to prevent the transport and transshipment of items of proliferation concern in its national territory or airspace or in vessels under its control or registry.

(b) TYPES OF ASSISTANCE.—The assistance authorized under subsection (a) consists of the following:

(1) Assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763).

(2) Assistance under chapters 4 (22 U.S.C. 2346 et seq.) and 5 (22 U.S.C. 2347 et seq.) of part II of the Foreign Assistance Act of 1961.

(3) Drawdown of defense excess defense articles and services under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(c) CONGRESSIONAL NOTIFICATION.—Assistance authorized under this section may not be provided until at least 30 days after the date on which the President has provided notice thereof to the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate, in accordance with the procedures applicable to reprogramming notifications under section 634A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1(a)), and has certified to such committees that such assistance will be used in accordance with the requirement of subsection (e) of this section.

(d) LIMITATION.—Assistance may be provided to a country under section (a) in no more than three fiscal years.

(e) USE OF ASSISTANCE.—Assistance provided under this section shall be used to enhance the capability of the

recipient country to prevent the transport and transshipment of items of proliferation concern in its national territory or airspace, or in vessels under its control or registry, including through the development of a legal framework in that country, consistent with any international laws or legal authorities governing the PSI, to enhance such capability by criminalizing proliferation, enacting strict export controls, and securing sensitive materials within its borders, and to enhance the ability of the recipient country to cooperate in operations conducted with other participating countries.

(f) LIMITATION ON SHIP OR AIRCRAFT TRANSFERS TO UNCOOPERATIVE COUNTRIES.—Notwithstanding any other provision of law, the United States may not transfer any excess defense article that is a vessel or an aircraft to a country that has not agreed that it will support and assist efforts by the United States to interdict items of proliferation concern until thirty days after the date on which the President has provided notice of the proposed transfer to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1(a)), in addition to any other requirement of law.

Subtitle C—Assistance to Accelerate Programs to Prevent Weapons of Mass Destruction Proliferation and Terrorism

SEC. 1231. FINDINGS; STATEMENT OF POLICY.

(a) FINDINGS.—Congress is aware that certain United States threat reduction and nonproliferation programs have in past years encountered obstacles to timely obligating and executing the full amount of appropriated funds, and that certain United States threat reduction and nonproliferation programs currently encounter such obstacles and therefore maintain unobligated and uncosted balances. Such obstacles include lack of effective policy guidance, limits on program scope, practical inefficiencies, lack of cooperation with other countries, and lack of effective leadership to overcome such obstacles.

(b) STATEMENT OF POLICY.—It shall be the policy of the United States, consistent with the 9/11 Commission's recommendations, to eliminate the obstacles described in subsection (a) with concrete measures, such as those described in this title, to accelerate and strengthen progress on preventing weapons of mass destruction (WMD) proliferation and terrorism. Such measures described in this title include the removal and modification of statutory limits to executing funds, the expansion and

strengthening of the PSI, the establishment of the Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism under subtitle D, and the establishment of the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism under subtitle E. As a result, Congress intends that any funds authorized to be appropriated to programs for preventing WMD proliferation and terrorism under this section will be executed in a timely manner.

SEC. 1232. AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE COOPERATIVE THREAT REDUCTION PROGRAM.

(a) FISCAL YEAR 2007.—In addition to any other amounts authorized to be appropriated, there are authorized to be appropriated to the Department of Defense Cooperative Threat Reduction Program such sums as may be necessary for fiscal year 2007 for the following purposes:

(1) Biological weapons proliferation prevention.

(2) Chemical weapons destruction at Shchuch'ye, Russia.

(3) Acceleration, expansion, and strengthening of all CTR activities.

(b) FUTURE YEARS.—It is the sense of Congress that in fiscal year 2008 and future fiscal years, the President should accelerate and expand funding for Cooperative Threat Reduction programs administered by the Department of Defense and such efforts should include, beginning upon enactment of this Act, encouraging additional commitments by the Russian Federation and other partner nations, as recommended by the 9/11 Commission.

SEC. 1233. AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF ENERGY PROGRAMS TO PREVENT WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM.

In addition to any other amounts authorized to be appropriated, there are authorized to be appropriated to the Department of Energy National Nuclear Security Administration such sums as may be necessary for fiscal year 2007 for programs to prevent weapons of mass destruction (WMD) proliferation and terrorism, to be used as follows:

(1) To accelerate, expand, and strengthen the Global Threat Reduction Initiative (GTRI), with a particular emphasis on—

(A) the Russian research reactor fuel return program;

(B) international radiological threat reduction;

(C) emerging threats and gap material; and

(D) development of quick response and short-term capabilities to secure and remove WMD materials throughout the world.

(2) To accelerate, expand, and strengthen the Nonproliferation and International Security (NIS) program, with a particular emphasis on—

(A) global security and engagement, and cooperation with the People's Republic of China, India, and other states;

(B) activities to address emerging proliferation concerns in North Korea, Iran, and elsewhere;

(C) participation in negotiations regarding North Korea's nuclear programs;

(D) inter-agency participation in the Proliferation Security Initiative (PSI);

(E) technical and other assistance to the International Atomic Energy Agency (IAEA) to support efforts to increase the IAEA's capacity to secure vulnerable WMD materials worldwide and prevent WMD proliferation and terrorism;

(F) efforts to increase United States ability to help states around the world place the

"effective controls" on WMD and related materials and technology mandated by United Nations Security Council Resolution 1540 (2004);

(G) cooperation on international safeguards and export controls in South Asia, the Middle East, and other regions;

(H) efforts to strengthen United States commitments to international regimes and agreements; and

(I) establishment of a contingency fund for opportunities to prevent WMD proliferation and terrorism that arise.

(3) To accelerate, expand, and strengthen the International Materials Protection, Control and Accounting (MPC&A) program, with a particular emphasis on—

(A) implementation of physical protection and material control and accounting upgrades at sites;

(B) national programs and sustainability activities in Russia;

(C) material consolidation and conversion (including significant acceleration of the down-blending of highly-enriched uranium to low-enriched uranium, the removal of highly-enriched

uranium from facilities, and international participation in these efforts);

(D) efforts to strengthen cooperation with Russia;

(E) implementation of Second Line of Defense Megaports agreements;

(F) implementation of Department of Energy actions under the Security and Accountability for Every Port Act of 2006 (also known as the SAFE Port Act; Public Law 109–347); and

(G) promoting and facilitating worldwide the promulgation of best practices for security of weapons usable and other nuclear materials.

(4) To accelerate, expand, and strengthen the Research and Development program, with a particular emphasis on—

(A) improvement of United States government capability for both short and long-term, and innovative, research and development that addresses emerging WMD proliferation and terrorism concerns and will maintain United States technological advantage, including the capacity to detect nuclear material origin, ura-

nium enrichment, and plutonium reprocessing; and

(B) efforts to significantly expand the scientific research and development skills and resources available to the Department of Energy's programs to prevent WMD proliferation and terrorism.

Subtitle D—Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism

SEC. 1241. OFFICE OF THE UNITED STATES COORDINATOR FOR THE PREVENTION OF WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM.

(a) ESTABLISHMENT.—There is established within the Executive Office of the President an office to be known as the ''Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism'' (in this subtitle referred to as the ''Office'').

(b) OFFICERS.—

(1) UNITED STATES COORDINATOR.—The head of the Office shall be the United States Coordinator

of the Office (in this subtitle referred to as the ''Coordinator'').

(2) DEPUTY UNITED STATES COORDINATOR.—There shall be a Deputy United States Coordinator of the Office (in this subtitle referred to as the ''Deputy Coordinator''), who shall—

(A) assist the Coordinator in carrying out the responsibilities of the Coordinator under this subtitle; and

(B) serve as Acting Coordinator in the absence of the Coordinator and during any vacancy in the office of Coordinator.

(3) APPOINTMENT.—The Coordinator and Deputy Coordinator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be responsible on a full-time basis for the duties and responsibilities described in this section.

(4) LIMITATION.—No person shall serve as Coordinator or Deputy Coordinator while serving in any other position in the Federal Government.

(c) DUTIES.—The responsibilities of the Coordinator shall include the following:

(1) Serving as the advisor to the President on all matters relating to the prevention of weapons of

mass destruction (WMD) proliferation and terrorism.

(2) Formulating a comprehensive and well-coordinated United States strategy and policies for preventing WMD proliferation and terrorism, including—

(A) measurable milestones and targets to which departments and agencies can be held accountable;

(B) identification of gaps, duplication, and other inefficiencies in existing activities, initiatives, and programs and the steps necessary to overcome these obstacles;

(C) plans for preserving the nuclear security investment the United States has made in Russia, the former Soviet Union, and other countries;

(D) prioritized plans to accelerate, strengthen, and expand the scope of existing initiatives and programs, which include identification of vulnerable sites and material and the corresponding actions necessary to eliminate such vulnerabilities;

(E) new and innovative initiatives and programs to address emerging challenges and

strengthen United States capabilities, including programs to attract and retain top scientists and engineers and strengthen the capabilities of United States national laboratories;

(F) plans to coordinate United States activities, initiatives, and programs relating to the prevention of WMD proliferation and terrorism, including those of the Department of Energy, Department of Defense, Department of State, and Department of Homeland Security, and including the Proliferation Security Initiative, the G-8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, United Nations Security Council Resolution 1540, and the Global Initiative to Combat Nuclear Terrorism;

(G) plans to strengthen United States commitments to international regimes and significantly improve cooperation with other countries relating to the prevention of WMD proliferation and terrorism, with particular emphasis on work with the international community to develop laws and an international legal regime with universal jurisdiction to enable any state in the world to interdict and prosecute smug-

glers of WMD material, as recommended by the 9/11 Commission; and

(H) identification of actions necessary to implement the recommendations of the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism established under subtitle E of this title.

(3) Leading inter-agency coordination of United States efforts to implement the strategy and policies described in this section.

(4) Conducting oversight and evaluation of accelerated and strengthened implementation of initiatives and programs to prevent WMD proliferation and terrorism by relevant government departments and agencies.

(5) Overseeing the development of a comprehensive and coordinated budget for programs and initiatives to prevent WMD proliferation and terrorism, ensuring that such budget adequately reflects the priority of the challenges and is effectively executed, and carrying out other appropriate budgetary authorities.

(d) STAFF.—The Coordinator may appoint and terminate such personnel as may be necessary to enable the Coordinator to perform his or her duties.

(e) CONSULTATION WITH COMMISSION.—The Office and the Coordinator shall regularly consult with and strive to implement the recommendations of the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism, established under subtitle E of this title.

(f) ANNUAL REPORT ON STRATEGIC PLAN.—For fiscal year 2009 and each fiscal year thereafter, the Coordinator shall submit to Congress, at the same time as the submission of the budget for that fiscal year under title 31, United States Code, a report on the strategy and policies developed pursuant to subsection (c)(2), together with any recommendations of the Coordinator for legislative changes that the Coordinator considers appropriate with respect to such strategy and policies and their implementation or the Office of the Coordinator.

SEC. 1242. REQUEST FOR CORRESPONDING RUSSIAN COORDINATOR.

It is the sense of the Congress that, as soon as practical, the President should personally request the President of the Russian Federation to designate an official of the Russian Federation having authorities and responsibilities for preventing weapons of mass destruction (WMD) proliferation and terrorism commensurate with those of the Coordinator, and with whom the Coordinator should

coordinate planning and implementation of activities in the Russian Federation having the purpose of preventing WMD proliferation and terrorism.

Subtitle E—Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism

SEC. 1251. COMMISSION ON THE PREVENTION OF WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM.

There is established the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism (in this subtitle referred to as the ''Commission'').

SEC. 1252. PURPOSES.

(a) IN GENERAL.—The purposes of the Commission are to—

(1) assess current activities, initiatives, and programs to prevent WMD proliferation and terrorism; and

(2) provide a clear and comprehensive strategy and concrete recommendations for such activities, initiatives, and programs.

(b) IN PARTICULAR.—The Commission shall give particular attention to activities, initiatives, and programs

to secure all nuclear weapons-usable material around the world and to significantly accelerate, expand, and strengthen, on an urgent basis, United States and international efforts to prevent, stop, and counter the spread of nuclear weapons capabilities and related equipment, material, and technology to terrorists and states of concern.

SEC. 1253. COMPOSITION.

(a) MEMBERS.—The Commission shall be composed of 9 members, of whom—

(1) 3 members shall be appointed by the President;

(2) 2 members shall be appointed by the majority leader of the Senate;

(3) 1 member shall be appointed by the minority leader of the Senate;

(4) 2 members shall be appointed by the Speaker of the House of Representatives; and

(5) 1 member shall be appointed by the minority leader of the House of Representatives.

(b) CO-CHAIRMEN.—The Commission shall have two co-chairmen designated from among the members of the Commission. Of the co-chairmen—

(1) 1 shall be designated by the President; and

(2) 1 shall be designated jointly by the majority leader of the Senate and the Speaker of the House of Representatives.

(c) DEADLINE FOR APPOINTMENT.—All members of the Commission shall be appointed within 90 days of the date of the enactment of this Act.

(d) INITIAL MEETING.—The Commission shall meet and begin the operations of the Commission as soon as practicable.

(e) QUORUM; VACANCIES.—After its initial meeting, the Commission shall meet upon the call of the co-chairmen or a majority of its members. Six members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

SEC. 1254. RESPONSIBILITIES.

(a) IN GENERAL.—The Commission shall address—

(1) the roles, missions, and structure of all relevant government departments, agencies, and other actors, including the Office of the United States Coordinator for the Prevention of Weapons of Mass Destruction Proliferation and Terrorism established under subtitle D of this title;

(2) inter-agency coordination;

(3) United States commitments to international regimes and cooperation with other countries; and

(4) the threat of weapons of mass destruction proliferation and terrorism to the United States and its interests and allies, including the threat posed by black-market networks, and the effectiveness of the responses by the United States and the international community to such threats.

(b) FOLLOW-ON BAKER-CUTLER REPORT.—The Commission shall also reassess, and where necessary update and expand on, the conclusions and recommendations of the report titled ''A Report Card on the Department of Energy's Nonproliferation Programs with Russia'' of January 2001 (also known as the ''Baker-Cutler Report'') and implementation of such recommendations.

SEC. 1255. POWERS.

(a) HEARINGS AND EVIDENCE.—The Commission or, on the authority of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as the Commission or such designate subcommittee or designated member may determine advisable.

(b) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriations Acts, enter into contracts to enable the Commission to discharge its duties under this subtitle.

(c) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Government, information, suggestions, estimates, and statistics for the purposes of this subtitle. Each department, bureau, agency, board, commission, office, independent establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the co-chairmen, the chairman of any subcommittee created by a majority of the Commission, or any member designated by a majority of the Commission.

(2) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its staff consistent with all applicable statutes, regulations, and Executive orders.

(d) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Commission on a reimbursable basis administrative support and other services for the performance of the Commission's functions.

(2) OTHER DEPARTMENTS AND AGENCIES.—In addition to the assistance prescribed in paragraph (1), departments and agencies of the United States may provide to the Commission such services, funds, facilities, staff, and other support services as they may determine advisable and as may be authorized by law.

(e) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(f) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

SEC. 1256. NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.

(a) IN GENERAL.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(b) PUBLIC MEETINGS AND RELEASE OF PUBLIC VERSIONS OF REPORTS.—The Commission shall—

(1) hold public hearings and meetings to the extent appropriate; and

(2) release public versions of the report required under section 1257.

(c) PUBLIC HEARINGS.—Any public hearings of the Commission shall be conducted in a manner consistent with the protection of information provided to or developed for or by the Commission as required by any applicable statute, regulation, or Executive order.

SEC. 1257. REPORT.

Not later than 180 days after the appointment of the Commission, the Commission shall submit to the President and Congress a final report containing such findings, conclusions, and recommendations for corrective measures as have been agreed to by a majority of Commission members.

SEC. 1258. TERMINATION.

(a) IN GENERAL.—The Commission, and all the authorities of this subtitle, shall terminate 60 days after the date on which the final report is submitted under section 1257.

(b) ADMINISTRATIVE ACTIVITIES BEFORE TERMINATION.—The Commission may use the 60-day period referred to in subsection (a) for the purpose of concluding its activities, including providing testimony to committees

of Congress concerning its report and disseminating the final report.

TITLE XIII—NUCLEAR BLACK MARKET COUNTER-TERRORISM ACT

SEC. 1301. SHORT TITLE.

This title may be cited as the ''Nuclear Black Market Counter-Terrorism Act of 2007''.

SEC. 1302. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Affairs, the Committee on Armed Services, the Permanent Select Committee on Intelligence, and the Committee on Appropriations of the House of Representatives, and the Committee on Foreign Relations, the Committee on Armed Services, the Select Committee on Intelligence, and the Committee on Appropriations of the Senate.

(2) FOREIGN PERSON.—The term ''foreign person''—

(A) means any person who is not a citizen or national of the United States or lawfully admitted to the United States for permanent resi-

dence under the Immigration and Nationality Act;

(B) includes any foreign corporation, international organization, or foreign government; and

(C) includes, for purposes of subsections (a) and (b) of section 1311, successors, assigns, subsidiaries, and subunits of the person described in subparagraph (A) or (B) (as the case may be), and other business organizations or associations in which that person may be deemed to have a controlling interest.

(3) PERSON.—The term ''person''—

(A) means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity, or subsidiary, subunit, or parent entity thereof, and any successor of any such entity; and

(B) in the case of a country where it may be impossible to identify a specific governmental entity referred to in subparagraph (A), means all activities of that government relating to the

development or production of any nuclear equipment or technology.

(4) UNITED STATES FOREIGN ASSISTANCE.—The term ''United States foreign assistance'' means assistance under the foreign operations, export financing, and related programs appropriations Act for a fiscal year, and assistance under the Foreign Assistance Act of 1961.

Subtitle A—Sanctions for Transfers of Nuclear Enrichment, Reprocessing, and Weapons Technology, Equipment, and Materials Involving Foreign Persons and Terrorists

SEC. 1311. AUTHORITY TO IMPOSE SANCTIONS ON FOREIGN PERSONS.

(a) DETERMINATION OF NUCLEAR ACTIVITIES BY FOREIGN PERSONS.—

(1) DETERMINATION.—Notwithstanding any other provision of law, the President shall impose the sanctions described in subsection (b) whenever the President determines that a foreign person, on or after the date of the enactment of this Act, participated in the export, transfer or trade of—

(A) nuclear enrichment or reprocessing equipment, materials, or technology to any non-nuclear-weapon state (as defined in section 102(c) of the Arms Export Control Act) that—

(i) does not possess functioning nuclear enrichment or reprocessing plants as of January 1, 2004; and

(ii)(I) does not have in force an additional protocol with the International Atomic Energy Agency for the application of safeguards (as derived from IAEA document INFCIRC/540 and related corrections and additions); or

(II) is developing, manufacturing, or acquiring a nuclear explosive device; or

(B) any nuclear explosive device, or design information or component, equipment, materials, or other items or technology that—

(i) is designated for national export controls under the Nuclear Supplier Group Guidelines for the Export of Nuclear Material, Equipment and Technology (published by the International Atomic Energy Agency as IAEA document INFCIRC/254/Rev. 6/Part 1 and subsequent revisions) and the

Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Materials, Software and Related Technology (published as IAEA document INFCIRC/254/ Rev. 5/ Part 2 and subsequent revisions); and

(ii) contributes to the development, manufacture, or acquisition of a nuclear explosive device by—

(I) a non-nuclear weapon state; or

(II) a foreign person.

(2) DEFINITION.—For purposes of paragraph (1), the term ''participated'' means sold, transferred, brokered, financed, assisted, delivered, or otherwise provided or received, and includes any conspiracy or attempt to engage in any of such activities, as well as facilitating such activities by any other person.

(b) SANCTIONS.—The sanctions referred to in subsection (a) that are to be imposed on a foreign person are the following:

(1) No assistance may be provided to the foreign person under the Foreign Assistance Act of 1961, and the foreign person may not participate in any assistance program of the United States Gov-

ernment. Any such assistance being provided to the foreign person, and any participation in such assistance program by the foreign person, on the date on which the sanction under this paragraph is imposed shall be terminated as of such date.

(2) The United States Government may not export to the foreign person, or grant a license or other approval to export to or import from the foreign person of, any defense articles, defense services, or design or construction services under the Foreign Assistance Act of 1961 or the Arms Export Control Act. Any contract to export such articles or services, or license or approval to export or import, under either such Act, that is in effect on the date on which the sanction under this paragraph is imposed shall be terminated as of such date.

(3) Licenses or any other approval may not be issued for the export to the foreign person of any goods or technology subject to the jurisdiction of the Export Administration Regulations under chapter VII of title 15, Code of Federal Regulations (or successor regulations), other than food and other agricultural commodities, medicines and medical equipment. Any such license or approval that is in effect on the on the date on which the sanction under this

paragraph is imposed, shall be terminated as of such date.

(4) No department or agency of the United States Government may procure, or enter into any contract for the procurement of, any goods or services from the foreign person. The Secretary of the Treasury shall prohibit the importation into the United States of goods, technology, or services produced or provided by the foreign person, other than information or informational materials within the meaning of section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).

(c) PERIOD SANCTIONS IN EFFECT.—The sanctions referred to in subsection (b) should be imposed for not less than two years, but may be imposed for longer periods. The President may suspend after one year any sanction imposed pursuant to this section 15 days after submitting to the appropriate congressional committees a report explaining—

(1) the reasons for suspending the sanction;

(2) how the purposes of this title and United States national security are furthered by such suspension; and

(3) what measures the United States will take or is taking to ensure that the foreign person will not engage in similar activities in the future.

(d) WAIVER AUTHORITY.—The President may waive the imposition of any sanction under subsection (b) if the President certifies to the appropriate congressional committees that the waiver—

(1) is important to the national security interests of the United States; and

(2) would further the purposes of this title.

SEC. 1312. PRESIDENTIAL NOTIFICATION ON ACTIVITIES OF FOREIGN PERSONS.

(a) REPORTS TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, and not later than January 31 of each year thereafter, the President shall submit to the appropriate congressional committees a report detailing any activity by any foreign person described in section 1311. This report shall also include a description of any sanctions that have been imposed and their duration.

(b) PUBLICATION.—When the President imposes sanctions under section 1311, the President shall, to the maximum extent possible in unclassified form, publish in the Federal Register, not later than 15 days after reporting such sanctions to the appropriate congressional com-

mittees under subsection (a), the identity of each sanctioned foreign person, the period for which sanctions will be in effect, and the reasons for the sanctions.

Subtitle B—Further Actions Against Corporations Associated With Sanctioned Foreign Persons

SEC. 1321. FINDINGS.

The Congress finds the following:

(1) Foreign persons and corporations engaging in nuclear black-market activities are motivated by reasons of commercial gain and profit.

(2) Sanctions targeted solely against the business interests of the sanctioned person or business concern may be unsuccessful in halting these proliferation activities, as the sanctions may be seen merely as the cost of doing business, especially if the business interests of the parent or subsidiary corporate entities are unaffected by the sanctions.

(3) Such narrow targeting of sanctions creates the incentive to create shell and ''carve-out'' corporate entities to perform the proliferation activities and attract sanctions, leaving all other aspects of the larger corporation unaffected.

(4) To dissuade corporations from allowing their associated commercial entities or persons from engaging in proliferation black-market activities, they must also be made to suffer financial loss and commercial disadvantage, and parent and subsidiary commercial enterprises must be held responsible for the proliferation activities of their associated entities.

(5) If a corporation perceives that the United States Government will do everything possible to make its commercial activity difficult around the world, then that corporation has a powerful commercial incentive to prevent any further proliferation activity by its associated entities.

(6) Therefore, the United States Government should seek to increase the risk of commercial loss for associated corporate entities for the proliferation actions of their subsidiaries.

SEC. 1322. CAMPAIGN BY UNITED STATES GOVERNMENT OFFICIALS.

The President shall instruct all agencies of the United States Government to make every effort in their interactions with foreign government and business officials to persuade foreign governments and relevant corporations not to engage in any business transaction with a foreign

person sanctioned under section 1311, including any entity that is a parent or subsidiary of the sanctioned foreign person, for the duration of the sanctions.

SEC. 1323. COORDINATION.

The Secretary of State shall coordinate the actions of the United States Government under section 1322.

SEC. 1324. REPORT.

Not later than one year after the date of the enactment of this Act and annually thereafter, the Secretary of State shall report to the appropriate congressional committees on the actions taken by the United States to carry out section 1322.

Subtitle C—Rollback of Nuclear Proliferation Networks

SEC. 1331. NONPROLIFERATION AS A CONDITION OF UNITED STATES ASSISTANCE.

United States foreign assistance should only be provided to countries that—

(1) are not cooperating with any non-nuclear-weapon state or any foreign group or individual who may be engaged in, planning, or assisting any international terrorist group in the development of a nuclear explosive device or its means of delivery and are taking all necessary measures to prevent their nationals and other persons and entities subject to

their jurisdiction from participating in such cooperation; and

(2) are fully and completely cooperating with the United States in its efforts to eliminate nuclear black-market networks or activities.

SEC. 1332. REPORT ON IDENTIFICATION OF NUCLEAR PROLIFERATION NETWORK HOST COUNTRIES.

(a) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act and annually thereafter, the President shall submit a report to the appropriate congressional committees that—

(A) identifies any country in which manufacturing, brokering, shipment, transshipment, or other activity occurred in connection with the transactions of the nuclear proliferation network that supplied Libya, Iran, North Korea, and possibly other countries or entities; and

(B) identifies any country in which manufacturing, brokering, shipment, transshipment, or other activity occurred for the purpose of supplying nuclear technology, equipment, or material to another country or foreign person that could, in the President's judgment, contribute to the development, manufacture, or ac-

quisition, of a nuclear explosive device by a country or foreign person of concern to the United States

(2) ADDITIONAL INFORMATION.—The report under paragraph (1) shall also include a description of the extent to which each country described in the report is, in the opinion of the President, fully cooperating with the United States in its efforts to eliminate the nuclear proliferation network described in paragraph (1)(A) or stopping the activities described in paragraph (1)(B). The President shall base the determination regarding a country's cooperation with the United States in part on the degree to which the country has satisfied United States requests for assistance and information, including whether the United States has asked and been granted direct investigatory access to key persons involved in the nuclear proliferation network described in paragraph (1)(A) or the activities described in paragraph (1)(B).

(b) CLASSIFICATION.—Reports under this section shall be unclassified to the maximum extent possible.

SEC. 1333. SUSPENSION OF ARMS SALES LICENSES AND DELIVERIES TO NUCLEAR PROLIFERATION HOST COUNTRIES.

(a) SUSPENSION.—Upon submission of the report and any additional information under section 1332 to the appropriate congressional committees, the President shall suspend all licenses issued under the Arms Export Control Act, and shall prohibit any licenses to be issued under that Act, for exports to, or imports from, any country described in the report, unless the President certifies to the appropriate congressional committees that such country—

(1)(A) has fully investigated or is fully investigating the activities of any person or entity within its territory that has participated in the nuclear proliferation network described in section 1332(a)(1)(A) or the activities described in section 1332(a)(1)(B); and

(B) has taken or is taking effective steps to permanently halt similar illicit nuclear proliferation activities;

(2) has been or is fully cooperating with the United States and other appropriate international organizations in investigating and eliminating the nuclear proliferation network, any successor networks operating within its territory, or other illicit nuclear proliferation activities; and

(3) has enacted or is enacting new laws, promulgated decrees or regulations, or established practices designed to prevent future such activities from occurring within its territory.

(b) WAIVER.—The President may waive the requirements of subsection (a) in a fiscal year if—

(1) the President has certified to the appropriate congressional committees that the waiver is important to the national security of the United States; and

(2) at least 5 days have elapsed since making the certification under paragraph (1).

TITLE XIV—9/11 COMMISSION INTERNATIONAL IMPLEMENTATION

SEC. 1401. SHORT TITLE; TABLE OF CONTENTS.

This title may be cited as the ''9/11 Commission International Implementation Act of 2007''.

Subtitle A—Quality Educational Opportunities in Arab and Predominantly Muslim Countries.

SEC. 1411. FINDINGS; POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The report of the National Commission on Terrorist Attacks Upon the United States stated that ''[e]ducation that teaches tolerance, the dignity and value of each individual, and respect for different beliefs is a key element in any global strategy to eliminate Islamic terrorism''.

(2) The report of the National Commission on Terrorist Attacks Upon the United States concluded that ensuring educational opportunity is essential to the efforts of the United States to defeat global terrorism and recommended that the United States Government ''should offer to join with other nations in generously supporting [spending funds] ... directly on building and operating primary and secondary schools in those Muslim states that commit to sensibly investing financial resources in public education''.

(3) While Congress endorsed such a program in the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458), such a program has not been established.

(b) POLICY.—It is the policy of the United States—

(1) to work toward the goal of dramatically increasing the availability of modern basic education through public schools in Arab and predominantly

Muslim countries, which will reduce the influence of radical madrassas and other institutions that promote religious extremism;

(2) to join with other countries in generously supporting the International Arab and Muslim Youth Opportunity Fund authorized under section 7114 of the Intelligence Reform and Terrorism Prevention Act of 2004, as amended by section 1412 of this Act, with the goal of building and operating public primary and secondary schools in Arab and predominantly Muslim countries that commit to sensibly investing the resources of such countries in modern public education;

(3) to offer additional incentives to increase the availability of modern basic education in Arab and predominantly Muslim countries; and

(4) to work to prevent financing of educational institutions that support radical Islamic fundamentalism.

SEC. 1412. INTERNATIONAL ARAB AND MUSLIM YOUTH OPPORTUNITY FUND.

Section 7114 of the Intelligence Reform and Terrorism Prevention Act of 2004 (22 U.S.C. 2228) is amended to read as follows:

"SEC. 7114. INTERNATIONAL ARAB AND MUSLIM YOUTH OPPORTUNITY FUND.

"(a) FINDINGS.—Congress finds the following:

"(1) The United Nation's 2003 Arab Human Development Report states that the quantitative expansion of Arab education remains incomplete. The report asserts that high rates of illiteracy, especially among women, persist. Children continue to be denied their basic right to elementary education. Higher education is characterized by decreasing enrollment rates compared to developed countries, and public expenditures on education has declined since 1985.

"(2) The UN report cities the decline in quality as the most significant challenge in the educational arena in Arab countries.

"(3) Researchers argue that curricula taught in Arab countries seem to encourage submission, obedience, subordination, and compliance, rather than free critical thinking.

"(4) Despite major efforts to improve preschool education in some Arab countries, the quality of education provided in kindergartens in the region does not fulfill the requirements for advancing and developing children's capabilities in order to help socialize a creative and innovative generation.

"(5) Many factors in Arab countries adversely affect teachers' capabilities, such as low salaries (which force educators in to take on other jobs that consume their energy and decrease the time they can devote to caring for their students), lack of facilities, poorly designed curricula, indifferent quality of teacher training, and overcrowded classes.

"(6) Educational attainments in Arab and non-Arab Muslim countries—from literacy rates to mathematical and science achievements—are well below global standards.

"(7) It is estimated that there are 65,000,000 illiterate adult Arabs, and two-thirds of them are women.

"(8) Educational enrollment for Arab countries rose from 31,000,000 children in 1980 to approximately 56,000,000 children in 1995. Yet despite this increase, 10,000,000 children between the ages of 6 and 15 are currently not in school.

"(9) In the Middle East, roughly 10,000,000 children still do not go to school.

"(10) Even though women's access to education has tripled in Arab countries since 1970, gender disparities still persist. Illiteracy in Arab countries affects women disproportionately. Women make up

two-thirds of illiterate adults, with most living in rural areas.

"(11) The publication of books and other reading materials in Arab countries faces many major challenges, including the small number of readers due to high rates of illiteracy in some such countries and the weak purchasing power of the Arab reader. The limited readership in Arab countries is reflected in the small number of books published in such countries, which does not exceed 1.1 percent of world production, although Arabs constitute five percent of the world population.

"(12) The nexus between health and education in Arab countries is very strong. Gains in women's education accounted for an estimated 43 percent reduction in child malnutrition between 1970 and 1995. Educated mothers are more likely to better space births, to have adequate prenatal care, and to immunize their children.

"(13) Many educational systems in Arab and non-Arab Muslim countries widen the gap between rich and poor: while rich students attend excellent private schools, poor children receive grossly inadequate schooling.

1 "(b) PURPOSE.—The purpose of this section is to
2 strengthen the public educational systems in Arab and
3 predominantly Muslim countries by—
4 "(1) authorizing the establishment of an Inter-
5 national Arab and Muslim Youth Educational Fund
6 through which the United States dedicates re-
7 sources, either through a separate fund or through
8 an international organization, to assist those coun-
9 tries that commit to education reform; and
10 "(2) providing resources for the Fund to help
11 strengthen the public educational systems in those
12 countries.
13 "(c) ESTABLISHMENT OF FUND.—
14 "(1) AUTHORITY.—The President is authorized
15 to establish an International Arab and Muslim
16 Youth Opportunity Fund.
17 "(2) LOCATION.—The Fund may be estab-
18 lished—
19 "(A) as a separate fund in the Treasury;
20 or
21 "(B) through an international organization
22 or international financial institution, such as
23 the United Nations Educational, Science and
24 Cultural Organization, the United Nations De-

velopment Program, or the International Bank for Reconstruction and Development.

"(3) TRANSFERS AND RECEIPTS.—The head of any department, agency, or instrumentality of the United States Government may transfer any amount to the Fund, and the Fund may receive funds from private enterprises, foreign countries, or other entities.

"(4) ACTIVITIES OF THE FUND.—The Fund shall support programs described in this paragraph to improve the education environment in Arab and predominantly Muslim countries.

"(A) ASSISTANCE TO ENHANCE MODERN EDUCATIONAL PROGRAMS.—

"(i) The establishment in Arab and predominantly Muslim countries of a program of reform to create a modern education curriculum in the public educational systems in such countries.

"(ii) The establishment or modernization of educational materials to advance a modern educational curriculum in such systems.

"(iii) Teaching English to adults and children.

"(iv) The establishment in Arab and predominantly Muslim countries of programs that enhance accountability, transparency, and interaction on education policy in such countries between the national government and the regional and local governments through improved information sharing and monitoring.

"(v) The establishment in Arab and predominantly Muslim countries of programs to assist in the formulation of administration and planning strategies for all levels of government in such countries, including national, regional, and local governments.

"(vi) The enhancement in Arab and predominantly Muslim countries of community, family, and student participation in the formulation and implementation of education strategies and programs in such countries.

"(B) ASSISTANCE FOR TRAINING AND EXCHANGE PROGRAMS FOR TEACHERS, ADMINISTRATORS, AND STUDENTS.—

"(i) The establishment of training programs for teachers and educational administrators to enhance skills, including the establishment of regional centers to train individuals who can transfer such skills upon return to their countries.

"(ii) The establishment of exchange programs for teachers and administrators in Arab and predominantly Muslim countries and with other countries to stimulate additional ideas and reform throughout the world, including teacher training exchange programs focused on primary school teachers in such countries.

"(iii) The establishment of exchange programs for primary and secondary students in Muslim and Arab countries and with other countries to foster understanding and tolerance and to stimulate long-standing relationships.

"(C) ASSISTANCE TARGETING PRIMARY AND SECONDARY STUDENTS.—

"(i) The establishment in Arab and predominantly Muslim countries of after-school programs, civic education programs,

and education programs focusing on life skills, such as inter-personal skills and social relations and skills for healthy living, such as nutrition and physical fitness.

"(ii) The establishment in Arab and predominantly Muslim countries of programs to improve the proficiency of primary and secondary students in information technology skills.

"(D) ASSISTANCE FOR DEVELOPMENT OF YOUTH PROFESSIONALS.—

"(i) The establishment of programs in Arab and predominantly Muslim countries to improve vocational training in trades to help strengthen participation of Muslims and Arabs in the economic development of their countries.

"(ii) The establishment of programs in Arab and predominantly Muslim countries that target older Muslim and Arab youths not in school in such areas as entrepreneurial skills, accounting, micro-finance activities, work training, financial literacy, and information technology.

"(E) OTHER TYPES OF ASSISTANCE.—

"(i) The translation of foreign books, newspapers, reference guides, and other reading materials into local languages.

"(ii) The construction and equipping of modern community and university libraries.

"(5) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—There is authorized to be appropriated to the President to carry out this section such sums as may be necessary for fiscal years 2008, 2009, and 2010.

"(B) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

"(C) ADDITIONAL FUNDS.—Amounts authorized to be appropriated under subsection (a) shall be in addition to amounts otherwise available for such purposes.

"(6) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this section and annually thereafter, the President shall submit to the appropriate congressional committees a report on United States efforts to assist in the improvement of educational opportunities for Arab and

predominantly Muslim children and youths, including the progress made toward establishing the International Arab and Muslim Youth Opportunity Fund.

"(7) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection, the term 'appropriate congressional committees' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.".

SEC. 1413. ANNUAL REPORT TO CONGRESS.

(a) IN GENERAL.—Not later than June 1 of each year, the Secretary of State shall submit to the appropriate congressional committees a report on the efforts of Arab and predominantly Muslim countries to increase the availability of modern basic education and to close educational institutions that promote religious extremism and terrorism.

(b) CONTENTS.—Each report shall include—

(1) a list of Arab and predominantly Muslim countries that are making serious and sustained efforts to improve the availability of modern basic education and to close educational institutions that promote religious extremism and terrorism;

(2) a list of such countries that are making efforts to improve the availability of modern basic education and to close educational institutions that promote religious extremism and terrorism, but such efforts are not serious and sustained;

(3) a list of such countries that are not making efforts to improve the availability of modern basic education and to close educational institutions that promote religious extremism and terrorism; and

(4) an assessment for each country specified in each of paragraphs (1), (2), and (3) of the role of United States assistance with respect to the efforts made or not made to improve the availability of modern basic education and close educational institutions that promote religious extremism and terrorism.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 1414. EXTENSION OF PROGRAM TO PROVIDE GRANTS TO AMERICAN-SPONSORED SCHOOLS IN ARAB AND PREDOMINANTLY MUSLIM COUNTRIES TO PROVIDE SCHOLARSHIPS.

(a) FINDINGS.—Congress finds the following:

(1) Section 7113 of the Intelligence Reform and Terrorism Prevention Act of 2004 (Pub. Law 108–458) authorized the establishment of a pilot program to provide grants to American-sponsored schools in Arab and predominantly Muslim countries so that such schools could provide scholarships to young people from lower-income and middle-income families in such countries to attend such schools, where they could improve their English and be exposed to a modern education.

(2) Since the date of the enactment of that section, the Middle East Partnership Initiative has pursued implementation of that program.

(b) EXTENSION OF PROGRAM.—

(1) IN GENERAL.—Section 7113 of the Intelligence Reform and Terrorism Prevention Act of 2004 is amended—

(A) in the section heading—

(i) by striking ''**PILOT**''; and

(ii) by inserting ''**ARAB AND**'' before ''**PREDOMINANTLY MUSLIM**'';

(B) in subsection (a)(2), by inserting ''Arab and'' before ''predominantly Muslim'';

(C) in subsection (b), in the matter preceding paragraph (1), by inserting ''Arab and'' before ''predominantly Muslim'';

(D) in subsection (c)—

(i) in the subsection heading, by striking ''PILOT'';

(ii) by striking ''pilot''; and

(iii) by striking ''countries with predominantly Muslim populations'' and inserting ''Arab and predominantly Muslim countries'';

(E) in subsection (d), by striking ''pilot'' each place it appears;

(F) in subsection (f)—

(i) by striking ''pilot''; and

(ii) by inserting ''an Arab or'' before ''a predominantly Muslim country'';

(G) in subsection (g), in the first sentence—

(i) by inserting ''and April 15, 2008,'' after ''April 15, 2006,''; and

(ii) by striking ''pilot''; and

(H) in subsection (h)—

(i) by striking ''2005 and 2006'' inserting ''2007 and 2008'' ; and

(ii) by striking ''pilot''.

(2) CONFORMING AMENDMENT.—Section 1(b) of such Act is amended, in the table of contents, by striking the item relating to section 7113 and inserting after section 7112 the following new item:

''7113. Program to provide grants to American-sponsored schools in Arab and predominantly Muslim countries to provide scholarships.''.

Subtitle B—Democracy and Development in Arab and Predominantly Muslim Countries

SEC. 1421. PROMOTING DEMOCRACY AND DEVELOPMENT IN THE MIDDLE EAST, CENTRAL ASIA, SOUTH ASIA, AND SOUTHEAST ASIA.

(a) FINDINGS.—Congress finds the following:

(1) Al-Qaeda and affiliated groups have established a terrorist network with linkages throughout the Middle East, Central Asia, South Asia, and Southeast Asia.

(2) While political repression and lack of economic development do not justify terrorism, increased political freedoms, poverty reduction, and broad-based economic growth can contribute to an environment that undercuts tendencies and condi-

tions that facilitate the rise of terrorist organizations.

(3) It is in the national security interests of the United States to promote democracy, the rule of law, good governance, sustainable development, a vigorous civil society, political freedom, protection of minorities, independent media, women's rights, private sector growth, and open economic systems in the countries of the Middle East, Central Asia, South Asia, and Southeast Asia.

(b) POLICY.—It is the policy of the United States to—

(1) promote over the long-term, seizing opportunities whenever possible in the short term, democracy, the rule of law, good governance, sustainable development, a vigorous civil society, political freedom, protection of minorities, independent media, women's rights, private sector growth, and open economic systems in the countries of the Middle East, Central Asia, South Asia, and Southeast Asia;

(2) provide assistance and resources to individuals and organizations in the countries of the Middle East, Central Asia, South Asia, and Southeast Asia that are committed to promoting such objectives and

to design strategies in conjunction with such individuals and organizations; and

(3) work with other countries and international organizations to increase the resources devoted to promoting such objectives.

(c) STRATEGY.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit to appropriate congressional committees a report with a country-by-country five year strategy to promote the policy of the United States described in subsection (b). Such report shall contain an estimate of the funds necessary to implement such a strategy.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 1422. MIDDLE EAST FOUNDATION.

(a) PURPOSES.—The purposes of this section are to support, through the provision of grants, technical assistance, training, and other programs, in the countries of the Middle East, the expansion of—

(1) civil society;

(2) opportunities for political participation for all citizens;

(3) protections for internationally recognized human rights, including the rights of women;

(4) educational system reforms;

(5) independent media;

(6) policies that promote economic opportunities for citizens;

(7) the rule of law; and

(8) democratic processes of government.

(b) MIDDLE EAST FOUNDATION.—

(1) DESIGNATION.—The Secretary of State is authorized to designate an appropriate private, non-profit organization that is organized or incorporated under the laws of the United States or of a State as the Middle East Foundation (referred to in this section as the ''Foundation'').

(2) FUNDING.—

(A) AUTHORITY.—The Secretary of State is authorized to provide funding to the Foundation through the Middle East Partnership Initiative of the Department of State. The Foundation shall use amounts provided under this paragraph to carry out the purposes specified in subsection (a), including through making grants

and providing other assistance to entities to carry out programs for such purposes.

(B) FUNDING FROM OTHER SOURCES.—In determining the amount of funding to provide to the Foundation, the Secretary of State shall take into consideration the amount of funds that the Foundation has received from sources other than the United States Government.

(3) NOTIFICATION TO CONGRESSIONAL COMMITTEES.—The Secretary of State shall notify the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate prior to designating an appropriate organization as the Foundation.

(c) GRANTS FOR PROJECTS.—

(1) FOUNDATION TO MAKE GRANTS.—The Secretary of State shall enter into an agreement with the Foundation that requires the Foundation to use the funds provided under subsection (b)(2) to make grants to persons or entities (other than governments or government entities) located in the Middle East or working with local partners based in the Middle East to carry out projects that support the purposes specified in subsection (a).

(2) CENTER FOR PUBLIC POLICY.—Under the agreement described in paragraph (1), the Foundation may make a grant to an institution of higher education located in the Middle East to create a center for public policy for the purpose of permitting scholars and professionals from the countries of the Middle East and from other countries, including the United States, to carry out research, training programs, and other activities to inform public policy-making in the Middle East and to promote broad economic, social, and political reform for the people of the Middle East.

(3) APPLICATIONS FOR GRANTS.—An entity seeking a grant from the Foundation under this section shall submit an application to the head of the Foundation at such time, in such manner, and containing such information as the head of the Foundation may reasonably require.

(d) PRIVATE CHARACTER OF THE FOUNDATION.—Nothing in this section shall be construed to—

(1) make the Foundation an agency or establishment of the United States Government, or to make the officers or employees of the Foundation officers or employees of the United States for purposes of title 5, United States Code; or

(2) to impose any restriction on the Foundation's acceptance of funds from private and public sources in support of its activities consistent with the purposes specified in subsection (a).

(e) LIMITATION ON PAYMENTS TO FOUNDATION PERSONNEL.—No part of the funds provided to the Foundation under this section shall inure to the benefit of any officer or employee of the Foundation, except as salary or reasonable compensation for services.

(f) RETENTION OF INTEREST.—The Foundation may hold funds provided under this section in interest-bearing accounts prior to the disbursement of such funds to carry out the purposes specified in subsection (a), and, only to the extent and in the amounts provided for in advance in appropriations Acts, may retain for use for such purposes any interest earned without returning such interest to the Treasury of the United States.

(g) FINANCIAL ACCOUNTABILITY.—

(1) INDEPENDENT PRIVATE AUDITS OF THE FOUNDATION.—The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivi-

sion of the United States. The report of the independent audit shall be included in the annual report required by subsection (h).

(2) GAO AUDITS.—The financial transactions undertaken pursuant to this section by the Foundation may be audited by the Government Accountability Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States.

(3) AUDITS OF GRANT RECIPIENTS- .—

(A) IN GENERAL.—A recipient of a grant from the Foundation shall agree to permit an audit of the books and records of such recipient related to the use of the grant funds.

(B) RECORDKEEPING.—Such recipient shall maintain appropriate books and records to facilitate an audit referred to in subparagraph (A), including—

(i) separate accounts with respect to the grant funds;

(ii) records that fully disclose the use of the grant funds;

(iii) records describing the total cost of any project carried out using grant funds; and

(iv) the amount and nature of any funds received from other sources that were combined with the grant funds to carry out a project.

(h) ANNUAL REPORTS.—Not later than January 31, 2008, and annually thereafter, the Foundation shall submit to the appropriate congressional committees and make available to the public a report that includes, for the fiscal year prior to the fiscal year in which the report is submitted, a comprehensive and detailed description of—

(1) the operations and activities of the Foundation that were carried out using funds provided under this section;

(2) grants made by the Foundation to other entities with funds provided under this section;

(3) other activities of the Foundation to further the purposes specified in subsection (a); and

(4) the financial condition of the Foundation.

(i) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Affairs

and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(2) MIDDLE EAST.—The term ''Middle East'' means Algeria, Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, West Bank and Gaza, and Yemen.

(j) EXPIRATION OF AUTHORITY.—The authority provided under this section shall expire on September 30, 2017.

(k) REPEAL.—Section 534(k) of Public Law 109–102 is repealed.

Subtitle C—Restoring United States Moral Leadership

SEC. 1431. ADVANCING UNITED STATES INTERESTS THROUGH PUBLIC DIPLOMACY.

(a) FINDING.—Congress finds that the report of the National Commission on Terrorist Attacks Upon the United States stated that, ''Recognizing that Arab and Muslim audiences rely on satellite television and radio, the government has begun some promising initiatives in television and radio broadcasting to the Arab world, Iran, and Afghanistan. These efforts are beginning to reach large

1 audiences. The Broadcasting Board of Governors has
2 asked for much larger resources. It should get them.''.
3 (b) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—
5 (1) The United States needs to improve its
6 communication of information and ideas to people in
7 foreign countries, particularly in countries with sig-
8 nificant Muslim populations.
9 (2) Public diplomacy should reaffirm the para-
10 mount commitment of the United States to demo-
11 cratic principles, including preserving the civil lib-
12 erties of all the people of the United States, includ-
13 ing Muslim-Americans.
14 (3) A significant expansion of United States
15 international broadcasting would provide a cost-ef-
16 fective means of improving communication with
17 countries with significant Muslim populations by
18 providing news, information, and analysis, as well as
19 cultural programming, through both radio and tele-
20 vision broadcasts.
21 (c) SPECIAL AUTHORITY FOR SURGE CAPACITY.—
22 The United States International Broadcasting Act of 1994
23 (22 U.S.C. 6201 et seq.) is amended by adding at the end
24 the following new section:

"SEC. 316. SPECIAL AUTHORITY FOR SURGE CAPACITY.

"(a) EMERGENCY AUTHORITY.—

"(1) IN GENERAL.—Whenever the President determines it to be important to the national interests of the United States and so certifies to the appropriate congressional committees, the President, on such terms and conditions as the President may determine, is authorized to direct any department, agency, or other governmental entity of the United States to furnish the Broadcasting Board of Governors with the assistance of such department, agency, or entity based outside the United States as may be necessary to provide international broadcasting activities of the United States with a surge capacity to support United States foreign policy objectives during a crisis abroad.

"(2) SUPERSEDES EXISTING LAW.—The authority of paragraph (1) shall supersede any other provision of law.

"(3) SURGE CAPACITY DEFINED.—In this subsection, the term 'surge capacity' means the financial and technical resources necessary to carry out broadcasting activities in a geographical area during a crisis abroad.

"(b) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to the President such sums as may be necessary for the President to carry out this section, except that no such amount may be appropriated which, when added to amounts previously appropriated for such purpose but not yet obligated, would cause such amounts to exceed $25,000,000.

"(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to the authorization of appropriations in this subsection are authorized to remain available until expended.

"(3) DESIGNATION OF APPROPRIATIONS.—Amounts appropriated pursuant to the authorization of appropriations in this subsection may be referred to as the 'United States International Broadcasting Surge Capacity Fund'.

"(c) REPORT.—The annual report submitted to the President and Congress by the Broadcasting Board of Governors under section 305(a)(9) shall provide a detailed description of any activities carried out under this section.

"(d) AUTHORIZATION OF APPROPRIATIONS FOR UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES.—

"(1) IN GENERAL.—In addition to amounts otherwise available for such purposes, there are au-

thorized to be appropriated such sums as may be necessary to carry out United States Government broadcasting activities under this Act, including broadcasting capital improvements, the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1431 et seq.), and the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted in division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277), and to carry out other authorities in law consistent with such purposes.

"(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to the authorization of appropriations in this section are authorized to remain available until expended.".

SEC. 1432. EXPANSION OF UNITED STATES SCHOLARSHIP, EXCHANGE, AND LIBRARY PROGRAMS IN ARAB AND PREDOMINANTLY MUSLIM COUNTRIES.

(a) REPORT; CERTIFICATION.—Not later than 30 days after the date of the enactment of this Act and every 180 days thereafter, the Secretary of State shall submit to the appropriate congressional committees a report on the recommendations of the National Commission on Terrorist Attacks Upon the United States and the policy goals

described in section 7112 of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458) for expanding United States scholarship, exchange, and library programs in Arab and predominantly Muslim countries. Such report shall include—

(1) a certification by the Secretary of State that such recommendations have been implemented and such policy goals have been achieved; or

(2) if the Secretary of State is unable to make the certification described in paragraph (1), a description of—

(A) the steps taken to implement such recommendations and achieve such policy goals;

(B) when the Secretary of State expects such recommendations to be implemented and such policy goals to be achieved; and

(C) any allocation of resources or other actions by Congress the Secretary of State considers necessary to implement such recommendations and achieve such policy goals.

(b) TERMINATION OF DUTY TO REPORT.—The duty to submit a report under subsection (a) shall terminate when the Secretary of State submits a certification pursuant to paragraph (1) of such subsection.

(c) GAO REVIEW OF CERTIFICATION.—If the Secretary of State submits a certification pursuant to subsection (a)(1), not later than 30 days after the submission of such certification, the Comptroller General of the United States shall submit to the appropriate congressional committees a report on whether the recommendations referred to in subsection (a) have been implemented and whether the policy goals described in section 7112 of the Intelligence Reform and Terrorism Prevention Act of 2004 have been achieved.

(d) DEFINITION.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Foreign Affairs and the Committee on Oversight and Government Reform of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Homeland Security and Governmental Affairs of the Senate.

SEC. 1433. UNITED STATES POLICY TOWARD DETAINEES.

(a) FINDINGS.—Congress finds the following:

(1) The National Commission on Terrorist Attacks Upon the United States (commonly referred to as the ''9/11 Commission'') declared that the United States ''should work with friends to develop mutually agreed-on principles for the detention and hu-

mane treatment of captured international terrorists who are not being held under a particular country's criminal laws'' and recommended that the United States engage our allies ''to develop a common coalition approach toward the detention and humane treatment of captured terrorists'', drawing from Common Article 3 of the Geneva Conventions.

(2) Congress has passed several provisions of law that have changed United States standards relating to United States detainees, but such provisions have not been part of a common coalition approach in this regard.

(3) A number of investigations remain ongoing by countries who are close United States allies in the war on terrorism regarding the conduct of officials, employees, and agents of the United States and of other countries related to conduct regarding detainees.

(b) REPORT; CERTIFICATION.—Not later than 90 days after the date of the enactment of this Act and every 180 days thereafter, the Secretary of State, in consultation with the Attorney General and the Secretary of Defense, shall submit to the relevant congressional committees a report on any progress towards implementing the recommendations of the 9/11 Commission for engaging

United States allies to develop a common coalition approach, in compliance with Common Article 3 of the Geneva Conventions, toward the detention and humane treatment of individuals detained during Operation Iraqi Freedom, Operation Enduring Freedom, or in connection with United States counterterrorist operations. Such report shall include—

(1) a certification by the Secretary of State that such recommendations have been implemented and such policy goals have been achieved; or

(2) if the Secretary of State is unable to make the certification described in paragraph (1), a description of—

(A) the steps taken to implement such recommendations and achieve such policy goals;

(B) when the Secretary of State expects such recommendations to be implemented and such policy goals to be achieved; and

(C) any allocation of resources or other actions by Congress that the Secretary of State considers necessary to implement such recommendations and achieve such policy goals.

(c) TERMINATION OF DUTY TO REPORT.—The duty to submit a report under subsection (a) shall terminate

when the Secretary of State submits a certification pursuant to subsection (a)(1).

(d) GAO REVIEW OF CERTIFICATION.—If the Secretary of State submits a certification pursuant to subsection (a)(1), not later than 30 days after the submission of such certification, the Comptroller General shall submit to the relevant congressional committees a report on whether the recommendations described in subsection (a) have been implemented and whether the policy goals described in such subsection have been achieved.

(e) DEFINITION.—In this section, the term ''relevant congressional committees'' means—

(1) with respect to the House of Representatives, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Oversight and Government Reform, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence; and

(2) with respect to the Senate, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, and the Select Committee on Intelligence.

Subtitle D—Strategy for the United States Relationship With Afghanistan, Pakistan, and Saudi Arabia

SEC. 1441. AFGHANISTAN.

(a) STATEMENTS OF POLICY.—The following shall be the policies of the United States:

(1) The United States shall vigorously support the Government of Afghanistan as it continues on its path toward a broad-based, pluralistic, multi-ethnic, gender-sensitive, and fully representative government in Afghanistan and shall maintain its long-term commitment to the people of Afghanistan by increased assistance and the continued deployment of United States troops in Afghanistan as long as the Government of Afghanistan supports such United States involvement.

(2) In order to reduce the ability of the Taliban and Al-Qaeda to finance their operations through the opium trade, the President shall engage aggressively with the Government of Afghanistan and our NATO partners, and in consultation with Congress, to assess the success of the Afghan counternarcotics strategy in existence as of December 2006 and to explore all additional options for addressing the nar-

cotics crisis in Afghanistan, including possible changes in rules of engagement for NATO and Coalition forces for participation in actions against narcotics trafficking and kingpins.

(b) STATEMENT OF CONGRESS.—Congress strongly urges that the Afghanistan Freedom Support Act of 2002 be reauthorized and updated to take into account new developments in Afghanistan and in the region so as to demonstrate the continued support by the United States for the people and Government of Afghanistan.

(c) EMERGENCY INCREASE IN POLICING OPERATIONS.—

(1) IN GENERAL.—The President shall make every effort, on an emergency basis, to dramatically increase the numbers of United States and international police trainers, mentors, and police personnel operating in conjunction with Afghanistan civil security forces and shall increase efforts to assist the Government of Afghanistan in addressing the corruption crisis that is threatening to undermine Afghanistan's future.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act and every six months thereafter until September 31, 2010, the President shall submit to the Committee on Foreign

Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a report on United States efforts to fulfill the requirements of this subsection.

(d) EMERGENCY ENERGY ASSISTANCE.—

(1) FINDING.—Congress finds that short-term shortages of energy may destabilize the Government of Afghanistan and undermine the ability of President Karzai to carry out critically needed reforms.

(2) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide assistance for the acquisition of emergency energy resources, including diesel fuel, to secure the delivery of electricity to Kabul, Afghanistan, and other major Afghan provinces and cities.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out paragraph (2) such sums as may be necessary for each of fiscal years 2008 and 2009.

SEC. 1442. PAKISTAN.

(a) FINDINGS.—Congress finds the following:

(1) Since September 11, 2001, the Government of Pakistan has been an important partner in help-

ing the United States remove the Taliban regime in Afghanistan and combating international terrorism in the frontier provinces of Pakistan.

(2) There remain a number of critical issues that threaten to disrupt the relationship between the United States and Pakistan, undermine international security, and destabilize Pakistan, including—

(A) curbing the proliferation of nuclear weapons technology;

(B) combating poverty and corruption;

(C) building effective government institutions, especially secular public schools;

(D) promoting democracy and the rule of law, particularly at the national level;

(E) addressing the continued presence of Taliban and other violent extremist forces throughout the country;

(F) maintaining the authority of the Government of Pakistan in all parts of its national territory;

(G) securing the borders of Pakistan to prevent the movement of militants and terrorists into other countries and territories; and

(H) effectively dealing with Islamic extremism.

(b) STATEMENTS OF POLICY.—The following shall be the policies of the United States:

(1) To work with the Government of Pakistan to combat international terrorism, especially in the frontier provinces of Pakistan, and to end the use of Pakistan as a safe haven for forces associated with the Taliban.

(2) To establish a long-term strategic partnership with the Government of Pakistan to address the issues described in subparagraphs (A) through (H) of subsection (a)(2).

(3) To dramatically increase funding for programs of the United States Agency for International Development and the Department of State that assist the Government of Pakistan in addressing such issues, if the Government of Pakistan demonstrates a commitment to building a moderate, democratic state, including significant steps towards free and fair parliamentary elections in 2007.

(4) To work with the international community to secure additional financial and political support to effectively implement the policies set forth in this subsection and help to resolve the dispute between

the Government of Pakistan and the Government of India over the disputed territory of Kashmir.

(c) STRATEGY RELATING TO PAKISTAN.—

(1) REQUIREMENT FOR REPORT ON STRATEGY.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report, in classified form if necessary, that describes the long-term strategy of the United States to engage with the Government of Pakistan to address the issues described in subparagraphs (A) through (F) of subsection (a)(2) and carry out the policies described in subsection (b) in order accomplish the goal of building a moderate, democratic Pakistan.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection the term ''appropriate congressional committees'' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(d) LIMITATION ON UNITED STATES SECURITY ASSISTANCE TO PAKISTAN.—

(1) LIMITATION.—

(A) IN GENERAL.—For fiscal years 2008 and 2009, United States assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.) or section 23 of the Arms Export Control Act (22 U.S.C. 2763) may not be provided to, and a license for any item controlled under the Arms Export Control Act (22 U.S.C. 2751 et seq.) may not be approved for, Pakistan until 15 days after the date on which President determines and certifies to the appropriate congressional committees that the Government of Pakistan is making all possible efforts to prevent the Taliban from operating in areas under its sovereign control, including in the cities of Quetta and Chaman and in the Northwest Frontier Province and the Federally Administered Tribal Areas.

(B) FORM.—The certification required by subparagraph (A) shall be transmitted in unclassified form, but may contain a classified annex.

(2) WAIVER.—The President may waive the limitation on assistance under paragraph (1) for a fiscal year if the President determines and certifies

to the appropriate congressional committees that it is important to the national security interest of the United States to do so.

(3) SUNSET.—The limitation on assistance under paragraph (1) shall cease to be effective beginning on the date on which the President determines and certifies to the appropriate congressional committees that the Taliban, or any related successor organization, has ceased to exist as an organization capable of conducting military, insurgent, or terrorist activities in Afghanistan from Pakistan.

(4) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection, the term ''appropriate congressional committees'' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(e) NUCLEAR PROLIFERATION.—

(1) FINDING.—Congress finds that Pakistan's maintenance of a network for the proliferation of nuclear and missile technologies would be inconsistent with Pakistan being considered an ally of the United States.

(2) SENSE OF CONGRESS.—It is the sense of Congress that the national security interest of the United States will best be served if the United States develops and implements a long-term strategy to improve the United States relationship with Pakistan and works with the Government of Pakistan to stop nuclear proliferation.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President for providing assistance for Pakistan for fiscal year 2008—

(A) for ''Development Assistance'', such sums as may be necessary to carry out the provisions of sections 103, 105, and 106 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151a, 2151c, and 2151d,);

(B) for the ''Child Survival and Health Programs Fund'', such sums as may be necessary to carry out the provisions of sections 104 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b);

(C) for the ''Economic Support Fund'', such sums as may be necessary to carry out the provisions of chapter 4 of part II of the Foreign

Assistance Act of 1961 (22 U.S.C. 2346 et seq.);

(D) for ''International Narcotics Control and Law Enforcement'', such sums as may be necessary to carry out the provisions of chapter 8 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 et seq.);

(E) for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', such sums as may be necessary;

(F) for ''International Military Education and Training'', such sums as may be necessary to carry out the provisions of chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.); and

(G) for ''Foreign Military Financing Program'', such sums as may be necessary to carry out the provisions of section 23 of the Arms Export Control Act (22 U.S.C. 2763).

(2) OTHER FUNDS.—Amounts authorized to be appropriated under this subsection are in addition to amounts otherwise available for such purposes.

(g) EXTENSION OF WAIVERS.—

(1) AMENDMENTS.—The Act entitled ''An Act to authorize the President to exercise waivers of for-

eign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes'', approved October 27, 2001 (Public Law 107–57; 115 Stat. 403), is amended—

(A) in section 1(b)—

(i) in the heading, to read as follows: ''(b) FISCAL YEARS 2007 AND 2008.—''; and

(ii) in paragraph (1), by striking ''any provision'' and all that follows through ''that prohibits'' and inserting ''any provision of the foreign operations, export financing, and related programs appropriations Act for fiscal year 2007 or 2008 (or any other appropriations Act) that prohibits'';

(B) in section 3(2), by striking ''Such provision'' and all that follows through ''as are'' and inserting ''Such provision of the annual foreign operations, export financing, and related programs appropriations Act for fiscal years 2002 through 2008 (or any other appropriations Act) as are''; and

(C) in section 6, by striking ''the provisions'' and all that follows and inserting ''the

provisions of this Act shall terminate on October 1, 2008.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) take effect on October 1, 2006.

(3) SENSE OF CONGRESS.—It is the sense of Congress that determinations to provide extensions of waivers of foreign assistance prohibitions with respect to Pakistan pursuant to Public Law 107–57 for fiscal years after the fiscal years specified in the amendments made by paragraph (1) to Public Law 107–57 should be informed by the pace of democratic reform, extension of the rule of law, and the conduct of the parliamentary elections currently scheduled for 2007 in Pakistan.

SEC. 1443. SAUDI ARABIA.

(a) FINDINGS.—Congress finds the following:

(1) The Kingdom of Saudi Arabia has an uneven record in the fight against terrorism, especially with respect to terrorist financing, support for radical madrassas, and a lack of political outlets for its citizens, that poses a threat to the security of the United States, the international community, and the Kingdom of Saudi Arabia itself.

(2) The United States has a national security interest in working with the Government of Saudi

Arabia to combat international terrorists who operate within Saudi Arabia or who operate outside Saudi Arabia with the support of citizens of Saudi Arabia.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, in order to more effectively combat terrorism, the Government of Saudi Arabia must undertake and continue a number of political and economic reforms, including increasing anti-terrorism operations conducted by law enforcement agencies, providing more political rights to its citizens, increasing the rights of women, engaging in comprehensive educational reform, enhancing monitoring of charitable organizations, promulgating and enforcing domestic laws, and regulation on terrorist financing.

(c) STATEMENTS OF POLICY.—The following shall be the policies of the United States:

(1) To engage with the Government of Saudi Arabia to openly confront the issue of terrorism, as well as other problematic issues, such as the lack of political freedoms, with the goal of restructuring the relationship on terms that leaders of both countries can publicly support.

(2) To enhance counterterrorism cooperation with the Government of Saudi Arabia, if the political

leaders of such government are committed to making a serious, sustained effort to combat terrorism.

(3) To support the efforts of the Government of Saudi Arabia to make political, economic, and social reforms throughout the country.

(d) STRATEGY RELATING TO SAUDI ARABIA.—

(1) REQUIREMENT FOR REPORT ON STRATEGY.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report, in classified form if necessary, that describes the progress on the Strategic Dialogue (established by President George W. Bush and Crown Prince (now King) Abdullah in April 2005) between the United States and Saudi Arabia, including the progress made in such Dialogue toward implementing the long-term strategy of the United States to—

(A) engage with the Government of Saudi Arabia to facilitate political, economic, and social reforms that will enhance the ability of the Government of Saudi Arabia to combat international terrorism; and

(B) work with the Government of Saudi Arabia to combat terrorism, including through

effective prevention of the financing of terrorism by Saudi institutions and citizens.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection the term ''appropriate congressional committees'' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

Passed the House of Representatives January 9, 2007.

Attest: KAREN L. HAAS,

Clerk.